Daily Report

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Andean Pact Presidents Hold News Conference

PA2205033191 Caracas Venezolana de Television Network Spanish 2000 GMT 18 May 91

[News conference by Venezuelan President Carlos Andres Perez, Ecuadoran President Rodrigo Borja, Colombian President Cesar Gaviria, Bolivian President Jamie Paz Zamora, and Peruvian President Alberto Fujimori with local and international reporters and an unidentified moderator at the conclusion of the Andean Pact Summit in Caracas—live; broadcast in progress]

[Text] [Unidentified reporter] ...Ecuador and Bolivia, but Venezuela is not included. What is the reason for this and how will Venezuela be able to include itself in this agreement?

[Perez] Within the Andean Pact, we are committed to reaching an agreement on the free transit of tourists, and of our countries' nationals. Three of the Andean Pact countries have signed this agreement. Venezuela, among others, has yet to sign. We will most probably sign in the future.

[Moderator] For the Republic of Colombia, Jairo Tarazona of Radio Cadena Nacional of Bogota.

[Tarazona] Mr. President, good afternoon. My question is for President Gaviria. Do the five countries really believe that this summit will actually produce concrete results that will not give way to rhetoric, as they have in the past, given that Ecuador has reportedly placed obstacles; Peru had a number of problems, and Colombia and Venezuela would reap the greatest benefits? Can we really expect a common and free market between now and 1995 in the region?

[Gaviria] It is not unusual to have obstacles or differences in these types of negotiations. What is important is the willingness to overcome them. We have noticed this clearly in the past four meetings of the Andean Presidential Council. All the difficulties that were present before those meetings have been overcome. Significant progress has been made.

Ecuador has accepted the deadlines for removing tariffs that we agreed upon with some small differences in the time periods. We are all very pleased with the progress achieved so far and everyday we believe even more that the free trade zone of the Andean Pact will be operating by December, and we hope to have a true common market by 1995.

[Moderator] Representing Telesistemas of Ecuador, Vicente Olmedo.

[Olmedo] Good afternoon, President Borja. I would like you to announce now to the Ecuadoran public the conditions under which our country would join a free trade zone, whether those conditions would really benefit our country, and why.

[Borja] I presented Ecuador's position at the presidential council meeting to the effect that our elimination of tariffs will be carried out in two stages: Fifty percent by the end of 1991 and the remaining 50 percent by 30 June 1992. The Andean Pact presidents accepted this Ecuadoran proposal and it is on record in the Caracas Declaration, which you will get copies of in a few minutes. I believe this resolution by the presidential council was fair and that this will benefit not only Ecuador's interests, but the overall interests of all the countries trying to form—as Cesar Gaviria has said—the free trade zone; and then we will move on toward the goal of the 5th year: the great Andean common market, which will serve as an instrument for our social and economic development.

[Moderator] From the Republic of Peru, Maritza Lopez.

[Lopez] For the Venezuelan president, host of this Andean Presidents Council, I have two questions. The first is: Has the group considered the possibility, as an Andean group, of reaching an agreement aimed at possible negotiations for an antidrug accord with the United States?

My second question is: Has the possibility of giving aid to Peru through a support group been mentioned?

[Perez] Foreign aid?

[Lopez] Economic aid through the support group?

[Perez] First, I would like to first comment on the statement made by the Ecuadoran reporter.

There is no doubt that the Andean Pact is not a meeting of five presidents seeking to gain advantage over each other. The Andean Pact is an association of five countries seeking mutual advantages and creating a great market that will benefit us internally and enhance our possibilities for competing abroad. That is the Andean Pact. There are no special benefits here for anyone.

Replying to the reporter's question, among the letters we have just signed is one for President Bush in which the Andean Pact presidents propose to him that a meeting or conference be held, such as the one held in Cartagena, but this time with all the Andean Pact countries, precisely to discuss in depth and to develop an overall program to fight drugs and drug trafficking.

All the countries that comprise the Andean Pact are pleased to announce here that we have given Peru our full solidarity and that we all agree to cooperate with $40 million to start the fund needed by Peru to resolve its great problem with multinational organizations and thus have access to International Monetary Fund and World Bank credit.

[Moderator] Cindy Valiente, from Venezuela's DIARIO DE CARACAS.

[Valiente] Good afternon. Mr. President, would you comment on how the Andean trade process will work within the framework of the Bush initiative and second, will the Andean group assume a common position

regarding Cuba's reentry into the inter-American system, given that the Caracas Act mentions the OAS' reorganization as a principle?

[Perez] The questions asked by the Venezuelan reporter are very interesting. The Bush initiative is precisely one of the topics that the five Andean Pact countries analyzed in depth. One of the points we would discuss with President Bush would be the Andean Pact's relationship with the Bush initiative and ways to expedite this challenge presented by the U.S. Government through President Bush.

Regarding Cuba, on many occasions positions of Latin American governments have been to open a place for Cuba within our area—where Cuba exists and where it belongs. On several occasions, we have said that we require gestures by the Cuban Government, as well as gestures by the U.S. Government to open the possibility to reintegrate Cuba once and for all into the Andean Pact [corrects himself] in the world community. At the OAS itself, on several occasions the desire and possibility of Cuba rejoining the OAS was mentioned.

[Moderator] Oscar Madrid, representing ANSA wire services.

[Madrid] Good afternoon, President Perez. To have the Andean common market operational by 1995, the five countries have agreed to implement macroeconomic policies. Do you think that by then the border problems between Venezuela and Colombia and between Peru and Ecuador and Bolivia about an outlet to the sea will be resolved by then?

[Perez] The truth is that we need to think about the extraordinary headway made during the two years since the first Andean summit in Cartagena. By 31 December 1991, we will have already defined the five countries as a free trade area, therefore, on 1 January 1992, the Andean countries will exist as a free trade area. This integration progress is extraordinary. Of course, as the reporter said, there are still some political problems remaining. Our intention, and the intention of all our people is to resolve these differences and difficulties as soon as possible. The problem is that there is no way to set a date or time limit for solving these problems. What is very clear is that as the integrational pacts progress, our current border concept will disappear gradually. We will have new ways of resolving problems within our countries because, unfortunately, and until very recently, our borders were like barbed wire fences that served to keep us apart. As the borders become links to understanding, cooperation, brotherhood, and fraternity; solutions to the problems that we face will be resolved. It is, however, very difficult to answer clearly the reporter's very specific question.

[Zamora] I would like to add to what President Carlos Andres Perez just said. As we face this integration process, it is very important to understand that the specific problems between Colombia and Venezuela, Peru and Ecuador, and Bolivia and Chile, for example, emerged at a totally different historic moment in our continent, when balkanization was the driving force behind solving our problems. In other words, all of these problems began at a time when each country believed that it could solve its problems by going against its neighbors. In Latin America, that stage has been overcome. We are now at a stage where all of us are convinced that our problems can be solved by cooperation with our neighbors, instead of at our neighbor's expense or against our neighbor, as was done in the past, when these problems emerged. I also believe we should take into account that the origin of these conflicts was always economic. In other words, during that particular phase of our continent's history, economic problems were faced individually and this led to conflicts. Today, a new mentality has emerged and the same economic interests that kept us apart in the past should serve as the backbone of our integration and unity. If, in the past, economic interests led every country to conflict, then today, solving economic problems jointly is the best way to resolve old problems. I am sure that the day our countries make good business deals that are mutually beneficial and the population realizes that they are good and mutually beneficial, then the problems of the past will disappear.

[Moderator] To continue with this news conference, we have Ted Cordoba, representing the newspaper ULTIMA HORA.

[Cordoba] My question is for the presidents of Bolivia and Peru. In this Caracas document, I see two urgent appeals to the United States, one to the U.S. Congress requesting the approval of a preferential trade treatment for the Andean Pact and the other is a proposal for a new summit with President Bush, obviously with regard to the drug trafficking problem. My first question is: Is not the interdiction stage—which the United States is interested in—advancing too fast in comparison with the stage on development and economic alternatives, such as that proposed in Bolivia? My second question is: What would you do to solve the economic problem created by the struggle against drug trafficking?

[Fujimori] With regard to the drug trafficking issue, three days ago the Peruvian Government signed an agreement with the United States in which it is clearly set out that the initial repressive program—basically of rehabilitation and repression—has failed. What is required is a new focus on this issue; a struggle must be undertaken not only from the police-military point of view, but also overall economic development must be taken into consideration. In this agreement, for the first time the peasant coca producer is acknowledged, not as a criminal or as part of drug trafficking, but as a valid vehicle to change the situation in the coca-producing area. Development is necessary to fight drug trafficking. To attain this development a free market economy must be implemented.

Consequently, those coca growers who switch to another alternative, that is a change in crop or activity, must

have the conditions to make their new activity profitable. For this reason, a preferential system is needed for the products of the region; a tariff preferential system, similar to that obtained from the European Economic Community. I believe that we will be able to succeed if we have the conditions to engage in activities, other than coca growing, that are profitable.

[Paz Zamora] Only a little over a year has passed since the Cartagena Declaration was signed. We must take into consideration that even before the Cartagena Agreement, the antidrug struggle was focused only on repressive measures—prohibition, repression, or prevention in consuming nations. We must agree that since the Cartagena Agreement—when the United States, Colombia, Peru, and Bolivia met to find a consensus on the struggle against drug trafficking—we have made substantial progress. Since the Cartagena ageement, prohibition and repression is not the only valid accepted way to fight drug trafficking. This idea has been universally accepted. Last year in Houston—under the auspices of the United States—the big seven approved this idea, and subsequently it was also approved by the European Parliament. It has been universally accepted as part of the international concept in the struggle against drug trafficking, which is that alternative development—or what we in Bolivia simply call coca in exchange for development—is an inseparable part of the struggle against drug trafficking. I think that progress has been made by the Southern Cone countries with regard to the positions set out by those nations.

As President Fujimori said, it has been accepted that the peasants who farm coca, the raw material, are legally part of the game. I would go a step further and say that it has been accepted that some coca can be farmed legally. In other words, a distinction has been made between the traditional use of coca and other uses. It has been noted that the farming of surplus coca is what must be abolished. I think these are huge steps taken in little more than a year.

Specifically, I must point out that although we Bolivians have not advanced as far as we wanted to, U.S. economic cooperation with Bolivia has increased by 70 percent since the Cartagena Agreement. Most of this aid has been used for alternative development in our country. I think this fact must be considered seriously when one analyzes the situation. As for how our countries, which are primarily raw material producers, will cope financially with drug trafficking, a serious problem was posed. I will give an example. In Bolivia, agricultural production represents 22 percent of the GNP. Within this 22 percent, coca production represents 20 percent. In other words, a decrease in coca production would have a great impact on the Bolivian economy. We have stated that we are willing to undertake a struggle against drug trafficking by repressive means, by prohibition, as well as by alternative development. Nevertheless, it must be understood that given the weight that the coca production has on the GNP, an emergency program must be implemented to eliminate the unemployment caused by the decrease in coca production. There must also be structural programs to somehow replace the dollars that normally come into our balance of payments—I do not mean from cocaine—but from coca production itself, before it is used illegally for cocaine production.

Even though the problem is difficult when we view it from an economic point, I want to note that, in one year, plus a few months, we have made substantial progress in the direction that the region's countries want.

[Moderator] Next we have, Jorge Vargas, representing the Cripton newscast from Colombia.

[Vargas] Good afternoon, gentlemen presidents. You have already discussed what was signed in Caracas today. Nevertheless, there are 100 million people in the five Andean Pact countries who would like to know how they will be effected or how they will benefit from what the presidents signed today. We would like President Perez to answer this question so the people will better understand the situation.

[Perez] On the average, our markets are very restricted. As a result, our economies are very poor, however, some countries possess abundant crude oil, like Venezuela, and others possess important agricultural resources, like Colombia with its coffee. This integration will result in a market of between 90 and 100 million people. When such a large market is created, the possibilities for commercial transactions and increasing our countries' economies grow. Second, the trade relationship that existed between our nations was very poor because there are too many tariff barriers and export and import bans. We have gradually eliminated the tariff barriers and import bans. Beginning in 1992, the goods from any of our countries can be marketed in the four other Andean countries. As you know, this is very significant. Finally, we will become stronger in relation to other countries because we will have the same tariffs as other nations. All of these aspects will strengthen and enrich the economy of each of the five Andean Pact countries. We have made it easy. The advantages and possibilities are much more numerous. For instance, there will be an opportunity for mixed enterprises of Colombians, Venezuelans, Peruvians, etc. This will enable the countries of the region to join capital and efforts with a common purpose. There will be no more customs or other barriers between our countries.

[Moderator] Felipe Urbano of the Ecuadoran newspaper HOY.

[Urbano] Good afternoon. This question is for President Gaviria. What certainty can businesmen, investors, and workers have that the decisions made and the accords reached in the Andean Pact will be fulfilled?

There is a long history of failure regarding compliance with agreements. Right now the countries still have to implement certain decisions. Each country has failed to fulfill agreements that have already been reached. My question is: Is there a deadline for the countries to catch up with the implementation of decisions that have

already been made and what guarantees will the countries have that the decisions will be complied with?

[Gaviria] That question can be approached in two ways. The first one is that current failures to comply with agreements are different from failures to comply with them in the past. In the past the failure to comply stemmed from the governments' refusal to open up to foreign competition. Currently, failure to comply stems mainly from a significant drop in tariffs. Tariffs have been lowered so much that they are now under...[changes thought] and are not being complied with because all the countries are advocating an opening up policy. That would be the first approach.

The second is that for the upcoming meeting that will take place in... [10-second break in reception] foreign ministers of the Andean Group to carry a proposal on how to make the Andean Justice Tribunal more efficient. We will, therefore, take into account the proposal of that Council of Foreign Relations Ministers and the proposals of the Andean Tribunal itself and place them at the disposal of private citizens and companies and ensure that there are efficient mechanisms in place to tackle the failure to comply with agreements.

The presidents also committed themselves to eliminating these failures to comply to ensure that the process proceeds satisfactorily. We all hope that by the time the free zone begins to operate, in December of this year, there will be no failures in compliance in the Andean Group. We will be able to move toward a common market that will lack actions that could jeopardize the operation of the subregional integration group that we are trying to establish.

[Perez] I wish to add to what President Gaviria said in that we cannot compare what happened more than two years ago to the Andean Pact with what is happening today. The truth is that in the past there was a rhetorical attitude toward integration. No real integration measures were adopted in the past. The situation is different now; we now have specific deadlines for everything. There can be no failure to comply. Also, we have created the Andean Tribunal and there, those who wish to denounce agreement violations may file their grievances. Thus, no comparison can be made.

Rest assured that there is indeed an integration spirit at the present time and that there will be no more failures to comply or exceptions after the 31 December 1972 [year as heard] deadline.

[Borja] I wish to add the following: Two years ago, also in Caracas, the presidents of the Andean Group discovered that the major weakness of the integration process was the absence of a political and executive body. We had very competent technical, administrative, and consultative bodies, but we had no political resolve to move the Andean Pact and integration process forward. This was overcome by an initiative of President Perez two years ago.

The presidential council, at which the Andean presidents meet twice a year, was the missing body. It is needed to assure that this process will continue. The results proof me right. In the last two years we have energized integration process. Everything is working, being complied with, and advancing. We, the presidents, in a direct way and without intermediaries, are monitoring the developments of the Andean Pact.

As Carlos Andres Perez said, we cannot compare what happened before to that which is happening today because the presidents have assumed the responsibility of making political decisions so that the Andean Pact can advance and so that necessary changes, corrections, and additions can be made so that the pact continues on its course and meet its goals.

[Moderator] Aura Samper from Lima's Channel 4.

[Samper] Good afternoon, Messrs. presidents. I would like to ask President Fujimori the following: According to the document just signed, the foreign ministers will try to get businessmen to participate in the decisions of the Cartagena Agreement board. With regard to Peru, is everything set for this? Many times agreements have been reached with businessmen, but few times have they accomplished anything specific.

[Fujimori] It is a general trend within Latin American countries, especially in the Andean group, to outline policies and in this case, policies with clear integrationist intentions. However, we do not want to limit ourselves to making simple political statements and signing very beneficial agreements that will probably run the risk of not being implemented.

For this reason, in addition to this meeting at the government level, we are coordinating with the business sector. This sector is one of the most dynamic agents for accomplishing integration. This is why we have asked them to participate at the level of the board and the commissions. We have also invited the labor sector to participate in an effort to solve any problems that may arise as they appear. I think that the business sector, at the Andean Group level—I have mentioned this at meetings with the main representatives of this sector—is ready and prepared to meet the challenge in order to make production a reality. I believe that the steps being taken at the presidential meetings will guarantee the success of the agreements made at the government level.

[Moderator] Representing Venezuela's EL NACIONAL newspaper, Nelson Rodriguez.

[Rodriguez] President Perez. Did you discuss at this meeting the social effects of the economic measures—shock [preceding word in English] programs —you have undertaken in your respective countries. I also want to ask you about the environment, taking into consideration that it is a basic factor for development. One cannot only think of economic or macro-development without taking into account that the need to protect the environment should match development plans. What measures do you plan to

use for economic integration so that the environment will not be altered? I do not know if I am being too daring in also asking you about culture. It is necessary for these development plans to harmonize with a cultural plan that will allow our nations to become more integrated and understand that integration is basic. Have you made plans for joint television programs that all our countries can watch at the same time on specific integration topics. What have you discussed about these aspects?

[Perez] With regard to the environment, the declaration or Caracas document you have in your hands is very important. It begins with noting that the environmental dimension is an important part of development programs. In this sense, although the Tlatelolco Document on the Environment and Development—issued by the meeting of ministers of developing countries that are Economic Commission for Latin America members—is a basic factor for a position of consensus on the part of subregional countries at the Conference on the Environment and Development, which is to be held in Brazil in 1992. We sent a letter to President Collor de Melo and the presidents of Guyana and Suriname asking them for a meeting of the Amazon Pact prior to the international environmental meeting to be held in Brazil. This means that we have given special importance to environmental problems and the need to make development and conservation, development and ecology, agree. This is very important and that is the kind of attention we have given it in this document.

All Andean Pact countries and all Latin American countries are involved in a policy of economic adjustment that is very difficult and traumatic. We are all implementing it, and we know of the sacrifices it implies for our peoples. We are seeking the necessary compensations in the face of this grave policy and the social effects it has. Of course, there are countries that are worse off than others. There is the case of Peru, for example. Peru's situation is the most dramatic because of circumstances you already know. However, Peru is facing this crisis and is taking the adjustment measures needed because it is the only way to rescue our economies and guarantee a different future for our people.

This is not only true of the Andean Pact nations. I just visited Nicaragua. It is painful to see the conditions of that country after 10 years of war. The economy is destroyed but that nation is working. However, the movement that seized power through the guerrilla movement, the Sandinists, are unanimously supporting the government of Violeta Chamorro in the hard and terrible adjustment measures it had to take to guarantee very different conditions for the future. Thus, we do take these conditions into consideration.

The mere opening of our markets is a possibility for speeding up important solutions for our crises because these markets will give us a greater chance to increase our production and trade.

The cultural problem is underlying all the plans that we are drafting and we have an agreement, the Andean region's Andres Bello Agreement, which involves cultural development for our area.

[Moderator] To end this news conference, representing international news agencies, Jorge Luna of PRENSA LATINA.

[Luna] Good afternoon, President Paz. This fifth presidential council meeting seems to be ending a dymanic chapter. I understand that one of the points of the document refers to your relationship with other bodies or integration groups. You said that Bolivia could serve as a sort of link or bridge between the Andean Pact and the south or the Southern Cone via the Mercosur countries. Could you tell us whether there is anything more specific, such as a calendar date? As President Perez asked: Is there a specific date for that link?

[Paz Zamora] There is certainly no specific date, but what is happening should be happening. In other words, the various integration subregional processes are seeking and complementing each other. For example, it is very symptomatic that at this meeting we addressed Mercosur members asking them to join the [word indistinct] Development Corporation with C-type bonds. I believe that this is a very important development for a finance organization of the subregional integration process.

One thing we cannot deny is that henceforth we must proceed with great care to solve specific problems. Who can deny the economic link that exists among Venezuela, Colombia, and Mexico, for example? At the same time, Mexico is involved in trade integration negotiations with the United States and Canada. Who can deny the economic interests that foreign trade with Argentina has for Bolivia? At least one third of our exports depend on our gas sales to Argentina. And who can deny our interesst in an energy market with Brazil, for example?

We cannot conceal these realities. What I have noticed, with pleasure, during the discussions of this Andean Presidential Council is that issues that were not very clear in the fourth, third, or second council, are being clarified today. For example, ensuring that the Andean Pact integration process is not a burden or rather an obstacle to fruitful relationships between Andean Pact members and non-Andean Pact countries had been an issue before. Now, however, we are assuring that our membership in the Andean Pact will give us greater negoting power with non-Andean Pact countries.

This is the philosophy, this is the trend on which we base our permanence in the Andean Pact. Should we manage to achieve this, should we successfully implement programs specified here, I believe that, when the time to negotiate in the Caribbean comes, Venzuela, because it believes that a consolidated Andean Pact that is solid and progressing, will have greater negotiating power in the Caribbean and the North. The same could happen to a country such as Bolivia, which has to look toward Mercosur. This is the outlook before us.

[Perez] Before ending this news conference, which Venezuela has had the honor of hosting and the pleasurable experience of having the Presidents of Bolivia, Colombia, Ecuador, and Peru, let us allow President Fujimori of Peru to say the last words.

[Fujimori] Thank you very much, Mr. President. I wish to express publicly my thanks, as president of Peru and on behalf of my people, because here in Caracas I have received expressions of solidarity for a country that is facing, as you said, a dramatic situation. It is probably the most difficult country to govern out of the five countries. We have already faced the seven plagues, but we have a willful people and the understanding of the Latin American community, and especially the Andean Group.

After these seven plagues, I hope that there are only seven, will come the manna and the specific support of the presidents of Venezuela, Colombia, Ecuador, and Bolivia in the form of a special contribution of $40 million to normalize Peru's international financial situation. I believe that this solidarity and integration spirit says much of the pragmatism with which we are working. This is why I wish to express sincerely my profound gratitude to the four presidents for their support. Thank you very much. [applause]

[Perez] President Paz also wants to say something.

[Paz Zamora] I thought that it was fair, to ensure that these meetings of the Andean Presidential Council become teaching elements for our population, to say that as we, the presidents meet, this is the fifth occasion, there is the risk that the people of our countries might forget that our compatriots are working intensely on integration processes. We cannot forget the Andean Pact's Council on foreign relations and the commission of the Andean Pact that gathers the representatives from each of our countries. They are essential elements, along with the board of the Cartagena Accord, in these processes.

The meeting of ministers...[changes thought] in other words, this meeting of Andean presidents has been preceded by very hard work. Some is noticeable and some is not. Ministers who meet, the board that works permanently, and the foreign relations ministers and the commission also at work. The same applies to the work of other bodies of the Andean Pact, such as the Andean Parliament and the Justice Tribunal, which met with us here, and also to the work of business and labor organizations, which in one way or another also contribute to this effort.

I point this out to ensure that the Presidential Council meeting does not forget to recognize the work of the entire system, which has been designed to work. That is all. [applause]

Bolivia Proposes To Host Drug 'Summit'

PY2005190291 Madrid EFE in Spanish 1734 GMT 20 May 91

[Excerpt] La Paz, 20 May (EFE)—Bolivian President Jaime Paz Zamora today reported that he has proposed that Bolivia host a drug "summit" meeting between the U.S. President and the presidents of the Andean Pact member countries.

The meeting was proposed to the United States during the recent presidential meeting of the Andean Pact—which consists of Bolivia, Colombia, Ecuador, Peru, and Venezuela—held last week in Caracas.

In remarks to local reporters, Paz Zamora said: "We have proposed that Bolivia host the 'summit.' We would like it to be held here, (...) it is the safest and most peaceful country in the region." [passage omitted]

Cuba

Diplomat Says Bush Address 'Nothing New'

PA2205030891 Hamburg DPA in Spanish 0157 GMT 22 May 91

[Text] New York, 21 May (DPA)—Cuba's representatives to the United States today rejected President George Bush's address, which was beamed to Cuba yesterday over Radio Marti.

In this address, which was beamed in Spanish to the island, Bush asked Fidel Castro to allow political parties to function and to hold free elections under international supervision as a condition to "significantly improve the relations between the United States and Cuba."

In the first reaction from Cuba, Ariel Ricardo, press attache at the Cuban Interest Section in the United States, told DPA in a telephone interview that "the substance of President Bush's address was nothing new. These are the same pre-conditions that the current administration has demanded ever since it took office."

The way of formally establishing in what condition Cuban society should function has been stated by Bush, but this is a prerogative of the Cuban people, not the United States, Ricardo said in Washington.

Bush Talk Termed 'One More Unfortunate Speech'

PA2205014291 Havana Radio Havana Cuba in Spanish 0028 GMT 22 May 91

[Commentary by Amalia Sanmartin]

[Text] There could have been no better choice than the city of Miami for broadcasting to the island of Cuba a recorded speech by U.S. President George Bush on the occasion of the 89th anniversary of 20 May.

Miami was the ideal city for the broadcast. The same description can be made of the headquarters of the so-called Cuban-North American Foundation. There, always-nostalgic and resentful people applauded the meddlesome and disrespectful message and celebrated a day that no patriotic Cuban recalls as Cuba's true independence day.

For the Cubans who live in their country out of their own free will, 20 May 1901 [year as heard] is the remote and almost forgotten day when Spain stopped governing Cuba, but also the day when the United States began ruling it.

This is why the period that began on that day is rightfully called the period of the so-called republic.

It was in this context that the U.S. President's speech was broadcast. The U.S. President continued inveterate practices. He challenged President Fidel Castro to hold free and just elections under international supervision, so that, he said, human rights may be respected, subversion can end, and Cuba can live in peace with neighbor countries.

If Cuba does this, he said, we can expect relations between our two countries to improve.

Bush spoke of many other things, of course, such as the formation of political parties in the island, and freedom of the press and democracy. He also tried to scare the Cuban authorities with the existence of alleged conspiracies aimed at overthrowing the government.

One could ask how U.S. authorities would react if the challenge, please read: blackmail and meddling in the domestic affairs of the country, had come from the other end.

It is worth recalling that those who joyfully live in today's Cuba view 1 January 1959 as Cuba's true Independence Day. From this date on, the 20 May date became only a sad memory. It has been clearly said on many occasions that the Cuban people elected their government years ago, and, therefore, they need no elections and no supervision from anyone. They also do not need many political parties that serve only to promote corruption, fraud, and shameless spoliation to reach power.

On 19 April, in recalling the mercenaries' defeat at the Bay of Pigs, President Fidel Castro said: Let no one harbor the illusion that Cuba's socialism will make concessions, that the Cuban revolution will make concessions, because there will be only one party, one single party, as it befits the lengthy revolutionary phase; one single party, like the one founded by Jose Marti to wage the war for independence.

The Cuban president also recalled what has happened in the countries where the communist parties held multiparty elections. Some of them won, but the reactionaries created all sorts of trouble and finally calls were made for the communists' heads. This is why, he correctly noted, revolutionaries can make no concession.

Regarding a rapprochement with neighbor countries, Cuba has never been disgusted with its neighbors and is now less than ever.

For all these reasons, the U.S. President's speech for Cuba has been just one more unfortunate speech. It would have been better if this new anniversary of the so-called republic had been ignored.

Soviet Defense Department Denies SS-20 Presence

FL2105123591 Havana Tele Rebelde Network in Spanish 1100 GMT 21 May 91

[Text] The Ministry of Defense of the USSR has rejected THE WASHINGTON POST article that alleges the presence of intermediate-range SS-20 nuclear missiles in Cuba.

An official communique published in Moscow characterized as false the report that U.S. intelligence services had detected missiles in Cuban territory on 25 April.

THE WASHINGTON POST affirmed that it obtained this information from anonymous sources. The last SS-20 was destroyed according to the Soviet-American treaty for the elimination of intermediate and short-range missiles and none were ever deployed outside USSR territory. The USSR Ministry of Defense considered THE WASHINGTON POST report a crude falsehood directed at undermining confidence in Soviet commitment to disarmament, peace, and security.

Mengistu's Resignation in Ethiopia Reported

FL2205014491 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 22 May 91

[Text] A curfew was imposed today beginning at 2100 in [words indistinct] after President Mengistu Haile-Mariam resigned and left the country. The decision to implement this measure was made by Acting President Tesfaye Gebre Kidan. PRENSA LATINA reported that television stations were interrupted and there were no international telephone communications.

An official communique read on the state-owned radio explained that Mengistu's resignation is aimed at calling all fighting forces to find a negotiated solution to the conflict in that African Horn country. Mengistu's replacement, General Tesfaye Gebre Kidan, was appointed vice president of the Council of State last month. This was part of a revamped governmental team as a temporary measure to attempt to reopen negotiations with the rebels.

Press sources say that people continued with their daily activities in Addis Ababa and did not appear to be surprised by the resignation of Mengistu who, according to various reports, traveled to Zimbabwe via Nairobi.

Mengistu tool in power in February 1977, when the process that had overthrown former Emperor Haile Salassie 2 and ½ years earlier was radicalized. His administration pledged to develop socialism in one of the poorest countries in the world [words indistinct] with historic national conflicts. In its more-than-1.2 million-square km, Ethiopia has some 35 million inhabitants who belong to over 70 ethnic groups [words indistinct] well-defined cultural traits. Amharics, Tigreans, and [words indistinct], the main ethnic groups, have coexisted and fought for centuries in this ancient territory.

Since 1899, when Emperor Menelik II grouped [words indistinct] in one state, the Amharics imposed their dominance over the rest of the ethnic groups. The oldest movement of resistance against Addis Ababa's central power is the Eritrean Liberation Front founded in 1958 and began its guerrilla fighting three years later.

The conflict in Eritrea, worsened by the European colonialism and the intransigence of an absolute monarchy, demanded an urgent solution when the revolutionary forces arrived in power. Nevertheless, the fighting did not stop because of the inflexibility of the rivals.

The Constitution approved in 1987 contemplated the autonomy for that northern region but the offer was considered [word indistinct] by the rebels. The later mediation of former President James Carter was not successful either. Added to this situation in the north, more recently the government had to deal with the armed conflict between Tigreans and Oromos who demanded the president's resignation. Other factors that contributed to the continuous erosion of the government were the droughts that devastated most of the country between 1983 and 1984 and the Somali invasion shortly after the revolution [words indistinct]. In addition, there was the collapse of the socialist camp in the last two years. A large part of the technical and military advice the country received came from this area.

The departure from Marxism-Leninism, the implementation of a multiparty system, and the subsequent ministerial changes were desperate reforms made by the Ethiopian Government in an attempt to halt the insurgent's progress on various fronts.

Mengistu Haile-Mariam, 50, had to face several coup attempts in the almost 15 years he ruled. The now former president was one of the players in the overthrow of Haile Selassie, head of one of the most reactionary monarchies in the world.

Soldiers, Equipment Arrive From Angola

FL2205020191 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 22 May 91

[Text] The Cuban ship [name indistinct] arrived in the Port of Mariel with military equipment from the People's Republic of Angola. Brigadier General Arnaldo Morfa, of the Western Army, and other military unit chiefs of that territory welcomed the combatants at the port terminal. Combatants and civil workers of the Revolutionary Armed Forces were also present. Before the cargo was unloaded, specialists checked the current state of the armored and transportation military equipment. With the arrival of this ship in the country, Cuba increases its defense capabilities and is in better condition in preparing the war of all the people.

[Begin recording, military identified by illegible caption] The equipment being received has all the technical parameters, is ready for combat, and can be used at any time. It has all the necessary resources to carry out combat actions in terms of munition and fuel. It is in perfect technical condition and is ready to perform when it is decided by our party and government. [end recording]

El Salvador

UNSC Decision To Send Observers Praised

PA2105204191 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 21 May 91

[Station commentary: "The Installation of ONUSAL, UN Observers for El Salvador, Is a Victory for the Salvadorans"]

[Text] The installation of the UN mission to verify respect for human rights constitutes an indisputable victory for the negotiations and the civil rights to which all Salvadorans are legitimately entitled.

The UN Security Council approval of a verification mission is a clear sign of world support for a dignified and just negotiation process in El Salvador. The doors are closing to repression and militarism; the war and military impunity that characterizes the actions of the Arena [Nationalist Republican Alliance] administration are ceasing to be an efficient and lucrative undertaking.

This decision by the top UN organization, of which the United States is a permanent member, must stand as an example for Arena deputies and government themselves, who although being committed to the negotiations, are resisting the ratification and implementation of agreements that were recently reached in Mexico City.

Arena and the Armed Forces High Command must take notice that their strategic ally, the United States, along with 14 member nations of the UN Security Council, are demanding that the negotiations proceed with urgency and flexibility to reach political agreement on a reform of the Armed Forces and a cease-fire to put an end to bloody confrontations in El Salvador.

We applaud the mature political behavior of the U.S. Government, which by supporting the international verification of human rights in El Salvador, is restricting the repressive capability of the Arena administration and its Armed Forces.

Nevertheless, although this constitutes a firm step by the United States, we believe that the U.S. Administration must quickly and unambiguously take a much more decisive step to end the war, that is, the suspension of all military aid to the Salvadoran Government, because this is the persistent source of the violation of human rights.

Only in this way will we be able to presume that the United States is definitely advocating a policy to respect our sovereignty in its relationship with El Salvador and responding positively to the clamor and proposals of many U.S. legislators.

The [word indistinct] can even be the light at the end of the thorny and dark tunnel on which U.S. policy has traveled erroneously since (?1960). The UN Security Council and the UN secretary general can rest assured that the Farabundo Marti National Liberation Front will honor its commitment to fully support the members, duties, and recommendations of the ONUSAL mission.

Armed Forces Warn About 'Terrorist Plan'

PA2105163991 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 21 May 91

[Text] The Salvadoran Armed Forces have reported a generalized terrorist plan by the guerrillas to intimidate the government in the peace talks in Caracas next weekend.

According to the Army, the Farabundo Marti National Liberation Front [FMLN] plan involves an increase in sabotage against the nation's power network, the declaration of illegal strikes, the use of peasants who live in poor sectors to commit crimes, and death threats to judges and mayors to affect public security and disrupt the order required in civilian life.

A Defense Ministry communique states that the Armed Forces has informed that this special terrorist plan is already under way and notes that it casts serious doubts on the FMLN's political goodwill at the negotiating table. In addition, it urges Salvadorans not to heed the call of organizations that sympathize with the FMLN and that are manipulated by it.

Armed Forces Reportedly Detain U.S. Citizen

PA2105200891 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 21 May 91

[Text] A report indicates that on 18 May, a U.S. citizen was captured by the Armed Forces while traveling from San Francisco Gotera to Perquin, Morazan Department. There are no further details as to the identity of the U.S. citizen. At the time of his capture, he was transporting construction material to Perquin. We call on the humanitarian groups to oversee the personal safety of this U.S. citizen captured on 18 May by Military Detachment No. 4 troops under the command of Colonel Oscar Alberto Leon Linares.

In view of this colonel's criminal background, we alert the humanitarian institutions to investigate this report immediately.

Guerrillas Detonate Bombs at Car Dealership

PA2105155091 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 21 May 91

[Text] The Rescue Commands Association [Asociacion Comandos de Salvamento] has announced that two bombs exploded at a car dealership in the northwestern part of the capital last night, causing damage but leaving no victims.

The explosions, which took place at the Miller Autos dealership in the Buenos Aires neighborhood in San Salvador, damaged five vehicles.

Over the past weeks urban guerrilla commandos have detonated bombs at two other car dealerships, arguing that they are members of a ring of car thieves directed by members of the Army.

Honduras

Agreement Ends Electricity Workers Strike

PA2105204391 Tegucigalpa Cadena Audio Video in Spanish 1154 GMT 20 May 91

[Text] The National Enterprise for Electric Power [ENEE] strike is over in the wake of the talks that resumed over the weekend. The National Enterprise for Electric Power Workers Union [STENEE] decreed the strike approximately 20 days ago. The 12 ENEE executives were present at the 19 May meeting, as well as the CTH [Confederation of Honduran Workers], which was represented by Francisco Guerrero, and the FUTH [United Federation of Honduran Workers]—to which the STENEE belongs—represented by FUTH President Hector Hernandez. Both sides reached an agreement at approximately 2100 19 May.

The STENEE decided to accept the subsidy system the government had originally proposed. These negotiations, which have been under way ever since the strike broke out, are considered a victory for Honduran trade unionism represented by the STENEE. As part of these negotiations, the trade union ensured that the government will not fire any ENEE employee. The STENEE also won the government's commitment not to privatize, which will benefit all its members. The trade union, meanwhile, accepted the subsidy system that the government's negotiating team had proposed. This strike, which had lasted approximately 20 days, was resolved at 2100 19 May. Minutes of the agreement will be signed at 1000 20 May.

Nicaragua

Sandinist Assembly Supports 22 May March

PA2205020291 Managua BARRICADA in Spanish 21 May 91 p 12

[Text] During a meeting yesterday between the Sandinist Assembly and the National Directorate of the Sandinist National Liberation Front [FSLN], it was decided to supporty fully the march scheduled for tomorrow in Managua by the Popular Struggle Front [Frente de Lucha Popular]. The march is in defense of "peace, housing, land, and jobs."

During the working meeting, the participants ratified the FSLN's strategy against vengeful sectors longing for the reestablishment of the old property scheme and the derogation of Laws 85 and 86.

In analyzing the end of the truce between the labor unions and the government, the Sandinist Assembly and the FSLN National Directorate demanded that the government provide an immediate solution to the prolonged teachers' problem.

During the meeting it was agreed to intensify the FSLN's political work in preparation for its first congress.

Cuba Rejects Former Contra Member as Ambassador

PA2105182991 Managua Radio Sandino in Spanish 1200 GMT 21 May 91

[Text] The Cuban Government has rejected Deputy Azucena Ferrey as Nicaragua's ambassador. President Fidel Castro's government did not accept Deputy Azucena Ferrey as Nicaragua's ambassador to Cuba, instead they accepted socialist Dr. Jose Luis Medina Bravo, who is also a UNO [National Opposition Union] member. The Cuban Government's rejection of the former Nicaraguan Resistance member and current third vice president of the National Assembly Board of Directors was disclosed last night by reporter [name indistinct] Suarez and aired this morning by the media.

President Violeta Chamorro's first ambassador to Cuba, gastroenterologist Medina Bravo, is a USSR Patrice Lumumba University graduate, which was enough for the Cuban Government to grant him approval. Another former Nicaraguan ambassador to Cuba had been under arrest, accused of common crime under the Nicaraguan Penal Code.

* Bayardo Arce Explains Draft Statutes, Changes

91CA0117A Managua BARRICADA in Spanish 19 Apr 91 pp 4-5

[Interview with FSLN Commander Bayardo Arce by unidentified BARRICADA correspondent; place and date not given; first two paragraphs are BARRICADA introduction]

[Text] The report of the FSLN's [Sandinist National Liberation Front's] performance during the preceding 10-year period, and the Draft Platform and Statutes, comprise the core of the current debate among the Sandinists. Contrary to historic practice, these documents were not prepared by the National Directorate [DN], but by several editorial staffs.

In the following interview granted to BARRICADA, Comandante of the Revolution Bayardo Arce Castano discusses some of the changes being proposed in the Draft Statutes. He also elaborates on the vital aspects that, in the view of the Statutes Committee, and assuming approval by the congress, should govern the Sandinist forces' organizational structure under the historic conditions currently prevailing in Nicaragua.

New Linchpins

[BARRICADA] The preface of the Draft Statutes states that the FSLN's dominant characteristic during the past 11 years has been its operating as "part and extension of the Revolutionary State." What consequences has the implementation of this concept had on the shaping of the type of party organized by the FSLN? What structural changes has the electoral defeat produced?

[Arce] When the FSLN came into power, it organized the Revolutionary State and began to implement the FSLN

platform through the state agencies and the FSLN officials heading those agencies. This approach gradually led us, in the National Directorate, to conceptualize the state as the principal executor of the FSLN's platform, and the role of the party structure as being to shape the party's political activities, and its participation, in such a manner as to support the state's actions.

This concept had a corollary: The party did not operate as some thought it should have operated—as the critic and conscience of the state's performance—but rather as the propagandist, instigator, and executor of the state's action, with the state doing nothing other than implementing the FSLN's platform.

[BARRICADA] Could it be said then that control of the state served the Sandinists as a linchpin?

[Arce] Exactly, because we organized all our membership, and shaped all our organizational structure, around the instruments of the state. The principal leaders of the fighting during the guerrilla phase remained at the head of creating the Army and the Interior Ministry. The guerrilla leaders with the most advanced technical background took over as heads of the state agencies, of the public-sector enterprises, and of the nascent movement of the masses and nascent union movement, the latter gravitating around action by the state.

When the Revolution triumphed in Nicaragua, there were only 178 legally constituted unions. And suddenly, there were more than 2,000. It was at that point that members of the Sandinist Front began taking over as heads of the unionization movement that had begun with the triumph. The object was to make the social organizations the counterparts and complements of the state apparatus for carrying out the Revolution's platform.

[BARRICADA] Since the loss of the elections, what is the glue that holds Sandinism together?

[Arce] Sandinism's linchpin now is its defense of the Revolutionary gains. Initially, we grouped around the instruments that made it possible for us to implement the FSLN platform. Now, what binds us is the need to defend the good we did; and the more so in that the present government rose to power on the thesis that everything we did was bad, and had to be changed.

A Party of Cadres and the Masses

[BARRICADA] The Draft Statutes refer to a party of dual nature: A party of cadres open to the masses. Just what does that mean?

[Arce] It must be remembered that the FSLN came into being as a guerrilla organization. This compelled it to operate underground, hence to be extremely selective. It had a natural selectivity. Those who joined the FSLN were not just anyone at all, because they knew they were risking their lives and their freedom. At the same time, we were very careful about admitting new persons into the organization, because we were afraid of infiltration. This had the effect of keeping the FSLN down to the size of a small detachment. To reach the point of waging a struggle, other sociopolitical factors had to be brought into play, with networks of collaborators first, then, as we entered into the insurrectional phase, with the so-called popular fighters, people who joined in at "threshing time." At that point, we had, on the one hand, a solidly-organized, tested, and crucible-hardened cadre, and on the other hand, a mass of people who were gradually coalescing around that cadre. And this is what made it possible, in the end, for a majority of the people to join in and reach 19 July.

We later turned that situation, to a certain extent, into an organizational concept, and began opening our doors. We no longer feared being infiltrated for the purpose of thwarting us, and the people were no longer afraid to join the Front, because their lives and their freedom were no longer at risk. And so we opened our doors somewhat wider, but still retained some selective criteria. Despite all the widening, when the time came for elections, after 10 years of being in power, the party had barely 40,000 members. However, there were thousands of Sandinists who had proven themselves in literacy campaigns, in public health drives, in agricultural harvest drives, and in the most highly esteemed of all tests, the war, the event that rallied the most people.

[BARRICADA] Why did these people not join the FSLN?

[Arce] Perhaps we did not deem it necessary to give organizational expression to those Sandinists, since the mass and social organizations we had set up were subordinate to the FSLN. In the final analysis, we did not worry whether a worker was a member of the FSLN or not, as long as he was active in the CST [Sandinist Workers Federation]; nor whether farm workers belonged to the FSLN, as long as they were active in the UNAG [National Union of Farmers and Cattlemen]; nor whether one belonged to the FSLN or not if he belonged to the Sandinist People's Army and was being trained in the Revolutionary ideology.

But now we intend to change that. Organizations must respond not only to the thinking of the party but also to the interests of the party's affiliated unions, and these unions may or may not be Sandinist.... This is the sense of the statement contained in the Draft Statutes to the effect that the Front needs to be strengthened, organically.

This synthesis of experience finds its expression in a party of cadres and at the same time of the masses. A party of militants and of all those who wish to join as affiliates. An affiliate may wish to convert to a militant, but may also be simply linked to the FSLN for an entire lifetime without ever becoming fully committed to all that the Front requires of its militants.

[BARRICADA] Comments by some on Article 4 of the Draft Statutes charge ambiguity as to the character of the FSLN. From the standpoint of the possession of assets,

and in the light of the Draft Statutes, what specifically is the nature of the FSLN: Is it a classist party or a pluri-classist party?

[Arce] The FSLN has always been a pluri-classist organization, but the Sandinist Front has always had a revolutionary ideology, and reaffirms it in the Draft Statutes. The FSLN tilts its interests toward favoring the workers, the farmhands, and the most disadvantaged strata of our society, but it never shuts its doors to a Nicaraguan—regardless of his or her economic status or condition—whose intent is to struggle for the workers, the farmhands, and the dispossessed.

What matters is whether that person, regardless of his or her status, is prepared to join in furthering the interests of the workers. In that sense, one devotes his or her assets—if any—to the cause of the poor. It was that way in the struggle against the Somosists, and many comrades from well-to-do origins and possessors of wealth—such as Noel Arguello Pravia, Raul Gonzalez, Edgard Lang, and others—gave their lives for the people.

Were it otherwise, we would give rise to an absurdity: As the Revolution, we made proprietors of many people. Through our Agrarian Reform, over 300,000 manzanas of land were turned over to 140,000 farm families. Those farmers could no longer belong to the Front, because they possess assets. This would be a contradiction under present conditions, struggling as we are to tilt privatization so as to favor the workers, since this would exclude them from membership in the FSLN.

Democracy Within the Front

[BARRICADA] With regard to democratization of the FSLN, what are the main innovations being proposed?

[Arce] I shall start from the bottom. First of all, we are creating far more flexible mechanisms for joining the Sandinist Front. Formerly, militant status had to be approved by the Regional Committee. The result was that many comrades spent years as members of organizations affiliated with the party without ever attaining militant status, because the Regional Committee never got around to dealing with those matters, which were not even one of their priorities.

What we are proposing now is to empower the party's rank and file units to approve militant status. Not by decision of the secretary or leaders of the unit, but by a vote.

Secondly, the rank and file unit—which will also be empowered to grant to members the right of admission to the FSLN—is the one that, through organic mechanisms, will shape the other, higher-echelon bodies, because it is the one that will elect the delegates to the departmental congresses, which in turn will appoint the departmental assemblies and departmental executive committees. These were formerly appointed by the National Directorate. Thus the rank and file will exercise power through a delegation in which they participate directly and through which they can request accountings directly.

Moving upward, formerly the Sandinist Assembly was appointed by the National Directorate. The Directorate examined the candidates and decided who would be admitted and who would not be. Now, the Sandinist Assembly will be elected by the National Congress, which in turn is elected by the departmental congresses.

The National Directorate was the product of a historical circumstance: We were the leaders of a war. Twelve members of the National Directorate died in combat. We replaced each of them in turn, taking over their functions, their rifles, their cause, and their responsibilities. When the war ended, we were the remaining leaders of that guerrilla struggle and automatically took over as the nation's leaders—to which no one raised an opposing voice.

[BARRICADA] But almost 12 years have now gone by....

[Arce] It must be considered that when we set up the second call for candidates, with the intent of extending historical recognition to the older militants, we posited a very flexible prerequisite: to be eligible, one had to have been a member of the FSLN, or of any Sandinist organization, at least nine months prior to the triumph. And how many persons were able to qualify for the second call? A mere 1,472! And when we had considered setting two years as the prerequisite, only some 300 of us qualified.

It is important to bear this in mind. On the heels of the triumph, who was there to elect you? The party first had to be organized. And that is what we have done during these years. This is why we passed a resolution in the Second Assembly that the internal task from that point on (1981-82) would be to organize the party.

Now that the organization of the party has advanced to the point where it is no longer just a small thing, democracy and participation can function. In my view, however, the essence of democracy is not elections, but rather participation in the decisionmaking. And this is the big challenge the Sandinists must address at this point. These Draft Statutes are not an intent on the part of the Directorate to "lay down the law."

This draft, for example, is being published so that all the members of the Front can discuss it. It is they who will decide whether, in the final version, what is there will remain or be revised. Things have changed. From guerrillas, we had to become "statesmen and warriors" in order to defend ourselves from U.S. aggression. And in war, there is no time for debate, because while you debate you may be shot. During that period, the National Directorate approved practically every major decision.

But we are no longer at war. The democratic aspect must now operate more visibly, taking into account, however,

that the country is presently undergoing a transition from a wartime footing to a peacetime situation that has not yet taken root.

National Directorate's Powers

[BARRICADA] As to the National Directorate's powers, some argue that the National Directorate will exercise an undue level of power in the decisionmaking process. There is also some concern as to why there should be 11 members of the DN....

[Arce] As to the first point, the powers we are proposing for the DN are a far cry from those it has had to date. Now, the DN will have to report results twice a year to a Sandinist Assembly elected by the congress, and will answer to a congress that elects it.

Secondly, there are a number of functions that formerly were performed by the DN and that are now to be assumed by the other bodies. In this regard, the party militants should consider that the present Sandinist Assembly has been a consultative body, not a decisionmaker. I mention this because the Assembly is sometimes unjustly criticized.

Things will change now: The party's platform, its statutes, principles, and strategy will all be approved by the congress, which is a much greater conglomerate, a delegacy of the departmental congresses, which in turn will be delegacies of a grass-roots dynamic.

You were telling me that there are persons who see too much power still being given to the Directorate. Well, they can change that. These documents are being submitted to debate, and the membership could decide that such and such functions being assigned to the Directorate be assigned instead to the Assembly, or that such and such should be done instead by the congress.

But the reasonableness of such decisions must also be considered. As it is, the DN is being converted into a directorate of day-to-day management based on platforms, statutes, and policy lines approved by a congress, and on short-term policy lines approved by an Assembly. Until now, these three functions have been concentrated under a single National Directorate. And what is being suggested by the critics is that what has heretofore been decided by nine persons be henceforth decided by 731 persons on three levels. If someone is suggesting that the Party Directorate should have no power whatever, and that all decisions be made by every last party member, that person is mistaken, because no party operates, or could possibly operate, in that manner. Nor could a 600-member congress be convoked every week.

Now, as to why we are proposing 11 members. First of all, it is only a proposal. During the debate, the members can say that this number is too high or that it is too low. I have read ideas expressed by some that seem to me to be outlandish, to the effect that there should not even be a Directorate. The number we are proposing is based on experience with a small directorate such as to avoid never-ending discussions that stymie the decisionmaking process.

Autonomous Organizations of the Masses

[BARRICADA] Referring to the mass organizations, practically no definition is being proposed. Does this signify recognition of their autonomy in toto? How does the FSLN propose to exercise its political influence in those social sectors?

[Arce] On the contrary. We have proposed a definition: We have proposed that their autonomy be respected.

If the majority of the population coalesces around our revolutionary objectives, around the cause of the poor, the most suitable mechanisms must be found for converting this coalescence into a force. A fundamental mechanism, the primary one, is the party, which is now making its admittance and affiliation mechanisms more flexible, in that now, admittance is to be decided by the grass-root organizations, and because we have now created the militants-and-affiliates structure, under our proposal. But there are also other persons who, for their part, will not be coalescing around the party but rather around their specific and immediate interests, which are also the interests of the Revolution but which are better represented, for example by workers organizations that struggle for better wages and a higher standard of living.

The interests of the farm worker who seeks a parcel of land, and a loan, are the interests of the Revolution as well. But perhaps that farm worker does not want to join the Front; he may wish to join an organization more his own.

True, in view of those cases we propose autonomy for mass organizations. How will the FSLN wield its influence? In the first place, the Draft Statutes provide that it is the duty of all members of the party to belong to a social organization or an organization of the masses, and, by working hard and setting an example, to gain authority therein, and influence among the people.

[BARRICADA] Speaking of proselytization, and specifically of the EPS [Sandinist People's Army] and Mingo [Ministry of Interior] combatants: Are the FSLN's doors open to them? How could they fulfill their obligations as party members?

[Arce] It is not a question of whether the FSLN's doors are open to them. The fact is, they have never been closed. Members of the Army and of the Police who were members of the Sandinist Front continue to be members of the FSLN. The Electoral Law and the country's political laws state—and this government has stipulated—that these comrades are forbidden to hold positions as party officials and to proselytize in military units.

Where does a present member of the Army and of the Police who is also a member of the FSLN—because not all combatant members of the Army and of the Police

belong to the FSLN—lead his party life? In his neighborhood. When he comes home, he takes off his uniform and becomes a part of the community. There, he leads his party life, like any other citizen, as a member of the FSLN.

We further specify in the Draft Statutes that a member of the military could be elected in the congress to be a member of the Directorate or of the Assembly, etc. But if he wants to be a party official, he must leave the military service.

FSLN Youths

[BARRICADA] It would seem from an analysis of the provisions concerning the JS [19 July Sandinist Youth], that the provisions are the obverse of those pertaining to organizations of the masses. Article 44 provides that members of the JS "are obligated to comply with and agree with the platform and resolutions of the congress, and with Sandinist Assembly and DN decrees." Are some youths justified in claiming excessive subordination to the FSLN?

[Arce] Indeed the Sandinist Youth is the obverse of the mass organizations. Every party needs to train its generational succession. The party needs an internal youth wing to replace us as we grow older and retire from party life. Since youths have their own characteristics, a youth cannot be expected to act, think, and interrelate like an older man, like his father, for example, who also may be a member of the party.

The Draft Statutes therefore provide that our youth organization is free to hold its congresses, and elect its officials, but all within the framework of the party. We could not permit our youth wing to meet and decide, for example, that it is against anti-imperialism and pro-United States, while the party is anti-imperialist and revolutionary.

Thus, Nicaraguan youths are entirely free to organize as they see fit, but if they want to be members of the FSLN Youth organization, they must hew to the FSLN policy line.

Why do we propose drawing this clear-cut line? Because with the FSLN at their head, our youths here gained a right that those in other countries do not have: The right to vote at age 16. The proposed Draft Statutes provide that a youth may enter the party at age 16. But the party tells him: You will do your militant apprenticeship in the youth organization until you are 21. At that point you will shift gears. You are then a full-fledged member of the party, militating in the party's youth organization. That is the underlying rationale. They hold their congress, select their officials, who are youths themselves and therefore understand them, listen to their music, their Rap, whatever they want. But by then, in terms of the Revolutionary concept, they must conform to FSLN thinking. If they do not want to be revolutionaries, if they do not want to be anti-imperialists, if they do not believe in socialist humanism, if they do not believe in the things the FSLN believes in, then they are no longer "our youth." They will be the youth of some other party, or no one's youth. And that decision is, by right, theirs to make.

In the proceedings of the Second Sandinist Assembly, at which we commenced this process, we stipulated that the Front must organize the JS for youths. Now that we need to further strengthen the party, we are putting it differently: We need an FSLN youth organization.

Panama

Students Block Streets, Protest Reforming Law

PA2205035491 Panama City Circuito RPC Television in Spanish 2300 GMT 21 May 91

[Text] Today, University of Panama students closed some streets to protest ongoing discussions aimed at reforming Law 11.

This afternoon, there was a huge traffic jam when university students from the University Students Movement closed the streets around the university campus to protest Legislative Assembly discussions aimed at reforming Law 11 of 1981.

Student leaders said that the bill calling for reforms is antidemocratic because the university's 45,000 students, 2,550 workers, and 2,000 professors have not been consulted. The university students view the reformist bill as part of a package prepared by international financial organizations that want to privatize the university.

Several students who are protesting the discussions have gone on an indefinite hunger strike until the Legislative Assembly stops discussing the bill. The students said there is similarity between the practices of the current Legislative Assembly and those of the past military government.

A few minutes after the streets were closed, antiriot units of the Public Force arrived. Major Puleyo tried to convince the students to allow traffic to move and not to violate the free transit rights of others through the national territory, but the students decided to maintain their positions to struggle for university autonomy.

On this occasion, contrary to what has happened on previous occasions, there was no confrontation between policemen and students.

Argentina

Government 'Deeply' Regrets Gandhi Assassination

PY2205012691 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2230 GMT 21 May 91

[Text] Buenos Aires, 21 May (NA)—The Argentine Government today "deeply" regretted the assassination of former Indian Prime Minister Rajiv Gandhi. The government also expressed its hope that "this dramatic and deplorable incident" does not affect "the normal development of democratic elections in India."

In a communique, the Foreign Ministry expressed "the deep sorrow" of the Argentine Government and its people in view of the "tragic death of a leader who has greatly contributed to strengthening the most populous representative democracy in the world."

The communique stated: "Loyal to his family tradition, embodied by Mahatma Gandhi, Pandit Nehru, and his mother Indira, Rajiv Gandhi struggled to achieve a better, more just society for the world."

The Foreign Ministry also stated: "In these sad moments, Argentina joins with all Indian citizens." It added that it joins "his relatives in their sorrow, which is shared by all those who love freedom throughout the world."

Former General Calls Alfonsin 'Hypocrite'

PY2105155491 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1850 GMT 18 May 91

[Text] Buenos Aires, 18 May (NA)—Retired General Heriberto Auel has described former President Raul Alfonsin as a "hypocrite" over the statement Alfonsin made on 16 May at the trial of 15 painted faces. He assured that Alfonsin "reached an agreement on a four-point document" with the rebel sector led by Aldo Rico during the Holy Week uprising.

In an interview published on 18 May by the morning newspaper LA PRENSA, Auel said: "I participated in the Holy Week negotiations along with the late Msgr Medina, former SIDE [Secretariat for State Intelligence] Director Facundo Suarez, former Defense Minister Jose Horacio Jaunarena, and Lieutenant Colonel Vilamello."

Auel added: "The negotiations were held at Brigadier Ernesto Crespo's office." He said that during these meetings "an agreement was reached on a four-point document to which Alfonsin acceded through his negotiators, Facundo Suarez and the defense minister."

Gen. Auel said: "I was the guarantor of that negotiation. I was stationed in Rio Gallegos, where I was constantly informed about the agreement that was achieved."

He said: "Alfonsin's testimony under oath at the painted faces' trial that no agreements were reached during the uprisings in Holy Week and in Villa Martelli was another lie."

Concerning the statement by Alfonsin, the current head of the Radical Civic Union, that no agreement was reached with the rebels during the military uprising that took place under his administration, Auel pointed out: "Not only was an agreement reached over it (Holy Week), but it was done before witnesses. The same thing occurred in Villa Martelli, where, what is worse, not just a politician but Army officer Dante Caridi was involved.

Prosecutor Wants Longer Sentence for Chilean Spy

PY2105124491 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1755 GMT 19 May 91

[Text] Mendoza, 19 May (NA)—Local prosecutor Otilio Romano has demanded that the sentence given to Chilean spy Carlos Guillermo Wolff Guerrero be increased from four to 12 years. Wolf Guerrero is accused of passing information to his country on the Condor project.

Federal Judge Alfredo Manuel Rodriguez sentenced Wolff Guerrero to four years imprisonment for spying, but Romano has asked the upper court to consider the violation of Article 3 of Law 13985 on crimes against national security. He said that the detainee worked for the benefit of a "foreign power." Wolff Guerrero had reportedly passed information on night activities of the Pampa military aircraft, headquartered at the 4th Air Brigade in this province, and on the so-called Condor project.

To do this, Wolff Guerrero used a sophisticated transmitter capable of transmitting in 21 seconds per transmission to a maximum of 2,000 kilometers [sentence as received].

The prosecutor recalled that this Chilean citizen is involved in an aggravated spying activity because "he worked for benefit of a foreign power, taking advantage "of the experience he acquired in his job [words indistinct]" according to Law 13985 [quotation marks as received]. He did not mention which "foreign power," although it is understood that he referred to Chile.

Police Seize $2.5 Million in Counterfeit Bills

PY2105174491 Buenos Aires TELAM in Spanish 1929 GMT 19 May 91

[Text] Buenos Aires, 19 May (TELAM)—During an operation at a property in Parque Leloir, personnel of the Las Cabanas Police Precinct and the Moron regional unit seized $2.5 million in counterfeit bills, communication equipment, credit cards, documents, and government seals.

Las Cabanas Police Chief Francisco Jose Ricciardi, who headed the operation on the afternoon of 18 May, informed TELAM today that although "there have been no arrests yet, some will be made in the next few hours."

According to unconfirmed reports "one of those involved may be one of the owners of a famous discotheque in the western sector" of the greater Buenos Aires area.

According to Ricciardi, "we are not dealing with common criminals," the counterfeit money that was seized "are some of the best counterfeit bills seen in recent times." He added that the "equipment used is like that used by the national mint."

Speaking about the extent of the operation, Moron Regional Unit Inspector Adolfo Ruben Dellatorre, who participated in the operation, said that it is "feasible" that the "ring" operates in bordering countries.

About the articles that were seized, Dellatorre said that the communication equipment is "highly sophisticated". Also seized were two Argentine-made cars, a foreign-made motorcycle, checkbooks, airplane tickets, car titles without names, and notary forms.

Moron Judge Morris Doglas and Federal District Judge Eudardo Luraschi have been appointed to the case which has been labeled "unlawful detention" because, as Ricciardi said, "we have been informed that a person was allegedly abducted."

* Growing Preference for Casting Blank Votes

91SM0291A Buenos Aires LA PRENSA in Spanish 4 Apr 91 p 7

[Report by Carlos Manuel Acuna]

[Text] A month or so ago, a group of professionals specializing in political issues and studies of voting intentions was astonished to observe a marked increase in positive responses to a question on casting blank votes in the coming 8 September elections, a fact interpreted as another demonstration of the people's disaffection for politicians as a whole. Furthermore, several of those querried pointed out that, based on the tenor of the responses obtained, it was not simply a matter of simple, temporary doubt, but rather, the expression of a much deeper attitude that could be described as being "fed up," disappointed, frustrated, with the added factor that most of those choosing to cast blank ballots said in their answers that they wanted nothing more to do with public problems because they thought it was useless, given the alleged existence of some understanding or agreement—however one wanted to call it—between leading figures to take care of one another or watch each other's back.

Do Not Know, No Response

This news obviously resulted in concern, particularly when the numbers involved indicated that between 10 and 12 percent emphatically stated that they either would not vote or would cast blank ballots, with the added notation that this decision was final. Logically enough, there is no reason why such an attitude would be irreversible, but an analysis of such a possibility will depend on what the parties and their candidates do. Furthermore, it could be modified by success of the economic plan, for example.

The 10 to 12 percent is true for the country as a whole, although greater intensity is seen in Buenos Aires Province, accentuated by the fact that there were well-defined responses unrelated to the "Do not know, No response" answer provided in all polls.

In the case of blank votes, most of those making such a choice were aware of political and institutional problems, thereby strengthening the profile of disenchantment and passive protest.

Weeks later, some of those participating in the initial meeting reviewed the results of the polls and concluded that the figure of 10 to 12 percent had increased substantially, so that it would not be an exaggeration to say that at the present time, the gradual increase of blank votes has exceeded 15 percent.

Comparison With Latest Elections

Logically enough, results were immediately geared toward making comparisons with the latest 1989 elections, in which blank votes totaled as little as .2 percent and, except in certain cases, a little over 1 percent.

The situation we are describing essentially reflects an overall crisis affecting Argentine society, for not only does it represent a loss of belief or moral apathy which we defined at the outset, but also the difficult problem of the lack of political representation, a problem that is perhaps part and parcel of the need for groups to take an in-depth look at their ideological content and therefore their platforms, with which no one is actually acquainted.

Above all, we must take a fresh look at the very system of elections so as to break down agreements between leaderships and once and for all do away with the notorious all-encompassing lists that force the citizen to vote for unknown persons, who in turn are unaware of the problems, concerns, and desires of those they claim to represent, to the point that they do not even know the geographic districts by which they are "elected"!

What People Want

Let us then leave this specific case in the hope that progress will indeed be made on debate and the various proposals of election reform that come and go as steps that no one wishes to take—everyone pretends not to notice—and so that this crisis of representation will be overcome and "representatives" will be just that, applying and carrying out policies and concrete measures that the people truly want.

To a great extent, this concept will determine the outcome of the crisis we are now enduring and also explain the popularity of the neighborhood unions so much in favor with party leaderships, even though they are hard-fought, as in the case of Buenos Aires Province. There, a citizen may not join any provincial or national party

organization if he belongs to, is active in, or promotes a neighborhood union confined to the municipal level.

This tangible reality demonstrates that the rhetoric of those who claim to be democratic representatives is no more than that, lip service to altruism. However, more than anything else, it demonstrates the innermost fear gnawing away at most leaders who have emerged from the blanket lists. This is understandable if one goes by reports produced in the Buenos Aires area where, until 5 August of last year—a fateful day for Alfonsinist-Cafierist social democrats—some 60 neighborhood unions were registered, of which just over 30 were active. Following the victory of the "No" vote, which prevented reform of the provincial constitution, neighborhood unions began to grow rapidly and today, out of a total of 122 districts, over 100 are in existence and operating.

Emergence of Conservative Right

Given this eloquent fact and since the members of neighborhood unions are prevented from joining or working with nonmunicipal political parties, can one not conclude that they are encouraged to cast blank ballots on the provincial and national levels?

Of course, not everything pertaining to such matters is exact or responds to immutable cause-and-effect relationships, but it is a fact that the polls reflect a growing intention of casting blank ballots. The very future of the system is therefore at stake in a very risky game that inherently contains the seed of anarchy.

It is consequently no surprise to anyone—other than Alfonsin—that the center right and right have lost their fear of defining themselves as such and are emerging in their exact dimensions on the political chessboard of Argentina so that they may well be, among other things, the first potential choice in response to the disbelief expressed by blank ballots and of those who claim to be abstentionists.

Federal Response

Nevertheless, the gradual strengthening of provincial parties simultaneously implies a federal response to the crisis, while a kind of conservative spirit—under different banners—spreads in all directions, helping to give a fuzzy outline to the immediate future of politics, one that can and must be directly related to the decadence of ideologies and the desperation of the left, which sees its best and long-awaited expectations cut short, although this is another matter altogether!

Bolivia

President Discusses Drug Fight, Integration

PY2205033691 La Paz Television Boliviana Network in Spanish 2025 GMT 21 May 91

[News conference by President Jaime Paz Zamora with domestic correspondents in the Red Hall of Government House in La Paz—live; monitored in progress]

[Excerpts] [passage omitted] [Eugenia Tercero, LA RAZON] Mr. President, after the visit by the U.S. antinarcotics chief, some Andean countries, including Peru and Bolivia....[Tercero changes thought] President Alberto Fujimori has said that his country needs $1.1 billion to substitute the coca plantations. What is our country's situation; how much must be invested to carry out that task?

[Paz Zamora] Well, President Fujimori probably named that figure after evaluating the situation in Peru. We must not forget that Peru is the top producer of coca in the world; Peru's production of coca is almost twice that of Bolivia. And, Peru has approximately three times the population of Bolivia.

What concerns us....[Paz Zamora changes thought] Here, a very serious study was made just for the first Cartagena meeting, where an economic analysis drafted by our government was submitted indicating that all types of alternative development mesh with the thesis—which is known internationally —of substituting an economy based on coca production with an economy of another nature. Is that not true?

On that occasion, we studied figures that had been written into what we called the National Bolivian Alternative Development Strategy, which in the end is the book I gave President Bush and the other presidents in Cartagena.

We indicated that in order to structure another type of economy, Bolivia needs a steady 6 to 10-year program on substitution of one type of economy with another and, therefore, on this process, the substitution of coca (?and related products).

This, in accordance with that cooperation, means a financial flow into Bolivia of between $250 to $300 million, which was divided into items. We indicated that part of this flow should be directed at generating new jobs for the peasants who could become jobless in the process of substituting coca. Another part of that $250 to $300 million would go to strengthening our balance of payments because, undoubtedly, a decrease in the production of coca would directly affect our foreign exchange and the country's balance of payments.

Finally, the document also indicated what we call the financial flow for investment. Now, this investment could be private or public. In other words, we were not telling the international community that its treasuries had to give us $250 to $300 million every year because a good part of that money could be disbursed by generating private investment in various areas of our country, which would allow us to create a new economy based, not on the production of coca, but on another type of production.

Here, I want to fleetingly recall a very important event that I believe we Bolivians must take into account: A reduction in the production of excess coca in our country would directly affect our GDP because 22 percent of the

GDP is based on the gross internal agricultural product. And, 20 percent of the gross internal agricultural product comes from the production of coca.

The reduction of this 20 percent would have an effect on the structure of the national economy and this is why this six- to 10-year period with a flow of $250 to $300 million was suggested—not just from the United States, but also the international community.

[Alfredo Carrio, Radio Metropolitana] Thank you. Mr. President, what is your opinion of a Bolivian reorientation of its policy of integration with Brazil and Argentina, countries that are hegemonic in this matter? In addition, we have to take into account that after the recent meeting of Andean countries, important sectors in our country do not see many prospects in the efforts being made in the Andean subregion.

[Paz Zamora] Look here, I do not believe it is necessary to change our integration policy in Latin America and more concretely, in South America. Bolivia is participating in several integration processes. We are members of the Andean Pact, the Amazon Basin, the River Plate Basin, the Rio Group, and ALADI [Latin American Integration Association], which trades at the Latin American level. Bolivia is also a member of several integration subsystems.

With regard to Brazil and Argentina, I would say that, from an economic viewpoint, it is the integration process in which we are most deeply involved. In other words, Argentina is the country that receives the most Bolivian exports. We are in the heart of Mercosur [Common Market of the South] through the energy that daily flows from Bolivia to the River Plate Basin integration process.

In addition to that, we have larger reasons for intensifying our trade with Brazil and Argentina; if we forget about the gas, if we forget about the amounts for the export of gas to Argentina, then there will be a deficit in our trade with that country. Last year there was a $53 million decrease in our trade balance with Argentina when gas exports were not taken into account, which in the same [words indistinct] we do not have a deficit, we have a ?(surplus); in other words, we are in a better situation.

It is different with Brazil. If we do not start selling energy to Brazil, we will continue to have deficits in our balance of payments, which have reached $150 million per year on occasion. Undoubtedly, this is a task that we have to carry out independent from any integration process that we are involved in because Brazil and Argentina are objectives with which Bolivia has to stimulate its trade.

Now, what I want to tell you is that in no way is there any difference in our objectives with the River Plate Basin countries and our objectives with the Andean Pact countries. The presidents of the Andean Pact countries have agreed that the Andean Pact has to be a form of accumulated capital that its member countries can use when negotiating with third countries that are not members of the Andean Pact. This is what Venezuela and Colombia are doing in their very rapid process of integration with Mexico.

We, who are in the extreme south of the Andean Pact, have to take advantage of our potential of belonging to a market of 6 million inhabitants such as the Andean market in order to apply trade pressure on the Argentine and Brazilian markets.

This is our policy where integration processes are concerned.

[Rocio Bernal, Television Channel 9] Mr. President, government authorities have repeatedly denied that the extradition of Bolivian drug traffickers to the United States was discussed during the visit by Mr. Bob Martinez. Moreover, in view of the remarks this U.S. official made, we know that this is not true and that the topic was discussed. My question is: What reasons does the Bolivian Government have for accepting an extradition treaty?

[Paz Zamora] I do not know where the report came from that Bolivian authorities spoke with Bob Martinez on this topic. At least, speaking for myself, as soon as the meeting with Bob Martinez concluded, a journalist asked me [words indistinct]. I told him (?what) Bob Martinez had said. In my case and afterward, from the information I have of the afternoon meeting he had with our country's specialized organizations....[Paz Zamora changes thought] I held a meeting with Mr. Bob Martinez, and we talked generally. We did not speak about anything out of context. We exchanged information with Mr. Bob Martinez on how they are fighting drug trafficking in Bolivia and how we are fighting drug trafficking, how they are fighting in the United States and how we are fighting in Bolivia.

We also reviewed our cooperation programs in this fight, and we reviewed certain legal instruments in which we have mutual interests. This where the topic of extradition cropped up, along with other legal instruments that are being reviewed in our countries. In this respect, it was the Vienna Convention that was discussed, an instrument that has been signed by both the United States and Bolivia and that has been in force since November 1990. It is within this context that we discussed the various viewpoints. In other words, this is what we discussed with Bob Martinez.

Now, our viewpoint—and we have made it very clear—is one of until proven to the contrary. Is this not true? We believe that what is currently in existence is adequate. In other words, we have had a treaty with the United States since 1900. Above all, we have the signatures of the two countries on the Vienna Convention, which dates from 1990.

We believe this series of legal instruments is sufficient, as I have said, until it is proven to the contrary. The

objective is to jointly cooperate to achieve the goals we have outlined. The situation is [words indistinct]

[Javier (surname indistinct), Television Channel 11] Mr. President, I believe your answer has not been very clear because it is one thing to discuss the topic. Is Bolivia really going to accept all this about extradition....

[Paz Zamora, interrupting] No, but I believe I have been clear. Until it is proven to the contrary, Bolivia believes the existing legal instruments are sufficient. That is the Bolivian viewpoint and it is very clear.

[Television Channel 11 reporter] But, anyway....

[Paz Zamora, interrupting] If anyone can prove to me that those instruments are not sufficient, Bolivia will have to adopt other decisions. But, it has to be proven to me. I believe I make it clear that the Bolivian Government believes the 1900 treaty and the Vienna Convention, which is an international, a world, instrument, are sufficient to [word indistinct] this topic. The viewpoint is crsytal clear.

[Television Channel 11 reporter] I do not know whether what you say implicitly outlines the fact that in the United States there was a report last year indicating that drug consumption is increasing in the United States; I do not know whether it is due to a lack of capability and this is obliging the United States to apply interdiction in Latin American countries. In any case, could you clarify this aspect?

[Paz Zamora] Look here, I have to go by the information that is provided by the United States. It is true that Mr. Robert Martinez said that the effort they are making has caused a 50 percent cut in drug consumption in the United States. This is the information I have, and I believe it agrees with other information. I did mention to him that drug consumption had increased in other countries, in Southeast Asian and European countries but that I respected the statistics he had given with regard to his country.

We also agreed that the primary responsibility of the United States as a consumer country is to attack consumption and our primary responsibility is to attack the supply of the drug. In Bolivia's specific case, it is to attack the cultivation of coca, which is how Bolivia participates in the world problem of drug trafficking. [passage omitted]

[Mario Flores Morales, JORNADA] Mr. President, despite your announcements, foreign credits have not arrived. Why?

[Paz Zamora] That is not my impression, my dear friend Mario Flores. I can give you some figures. In 1988, we received $571 million in credits. This year we have already assured the disbursement of $733 million. We must add to this amount donations, cooperation in equipment, and technical cooperation. We are receiving financial and cooperation resources as never before. This has prompted international organizations to look at the international community's intentions in Bolivia because we are receiving privileged treatment. But this treatment has not been free.

We have paid our dues. We have cleaned up our economy and this is why cooperation is flowing our way. Do not forget, for instance, that we are the country that receives the most EC cooperation. You may wonder why. The U.S. ambassador said the other day that Bolivia receives more money from the United States on cooperation for development than the rest of Latin America. I think that what the U.S. ambassador said is true. You just have to look at the figures. I would say that there is too much money coming our way. During my administration—that is, from 6 August until now—we have contracted foreign credits for over $1.2 billion. We are not going to use all those credits during my mandate but future governments will have guaranteed financial resources. This is the impression I have. I do not know what information you base your impressions on.

[Victor Roque, Channel Four Television] We understand that the government is negotiating a new agreement with the IMF within the system of a financial service for improved infrastructure. My question is whether this agreement implies the elimination of important public works such as the Oruro-Pisagua highway or the Cochabamba airport. These works are part of a list that appeared in the press today. If this report is true, Mr. President, has the government weighed the consequences of signing such an agreement?

[Paz Zamora] All credits to Bolivia will be withheld if we do not conclude an agreement with the IMF. The first thing organizations that want to finance public works in Bolivia do is find out about our situation with the IMF. Foreign investors will simply not negotiate with the country if we do not have an agreement with the IMF. We have to look at the overall picture. The IMF does not make conditions or impositions because we can always use our sovereign prerogative to withdraw from negotiations, but then we will have to accept the consequences of our decision. We cannot refuse to negotiate with the heart of the international financial system if we want resources from that system. This is a condition that most people do not want to admit.

The negotiation with the IMF is taking place in the third stage of our structural adjustment. This is the third year of our adjustment. We are doing so well that the IMF may even make an exception and give us a fourth year. This was never done before. We should conclude our negotiation with the IMF in two more months. Practically everything has been negotiated. The closing of the agreement will allow us to count on an additional $170 million to help our balance of payments. This fund will be provided by the IMF and the international system, the heart of which is the IMF.

As for the specific projects you mentioned, I must say that the IMF cannot cancel projects. Bolivia receives foreign financing according to Bolivian priorities. We

know our domestic problems. There are regions that have performed better and have received a good portion of the available foreign resources. As for the specific projects you mentioned, I must say that resources for the second stage of the Cochabamba airport are already committed. The amount has been reduced but $20 million remains for the second stage. The entire project called for $40 million, but that was to build another white elephant. We could not agree with that. The first stage of the airport is finished. The construction of buildings and other facilities will soon resume. The project is financed by Italy, but if we are not on good terms with the IMF, Italy could withhold its financing [words indistinct].

As for the Oruro-Pisiga highway [words indistinct] a problem with Chile. We have to consider the opinion of all Bolivians with regard to the problem with Chile. [words indistinct] project for trade. Otherwise, what purpose would we have for it? The same thing happens with the Oruro-Pisiga highway. It is useful for trade. The data illustrate very well the feeling of average Bolivians on what our position must be with regard to an exit to the Pacific Ocean. The Oruro-Pisiga project is in the first stage. The financing is to conduct studies. There are no conditions on it.

In conclusion, the IMF does not condition or impose anything on us, but if we do not negotiate, if we do not agree on a healthy economy, it is an indicator for other international organizations that may want to do business with Bolivia. As for other projects, Bolivia determines the priorities. Bolivia determines what projects will be financed with existing foreign financing. We have to establish priorities because resources are always scarce, and we cannot do everything at once. We have to program the implementation of different projects.

[Paravisini, State Television] It has been reported that there are deep divisions within MIR [Movement of the Revolutionary Left] and the Patriotic Agreement. There have been some administrative and political problems. How will your government deal with the situation?

[Paz Zamora] My dear friend Paravisini I have repeated many times very seriously that I am the president of all Bolivians. I do not think you have to address that question to me. I am concerned about the well-being of all Bolivians. I am not just concerned about my party, MIR, my money, one soccer team, one civic committee, or one mothers' club. I want all Bolivians to be united behind national objectives.

But, to answer your question, I can guarantee you that MIR is not divided. MIR has internal problems that have not ended in a division. There are differences of opinion, differences in thought and feeling, but I can guarantee you that MIR is a movement that is becoming united. But I am not the most appropriate person to give you an answer on this subject. My concern is the unity of all Bolivians.

[Unidentified minister] Gentlemen, this news conference has ended. I thank you on behalf of the president. Good afternoon.

[Paz Zamora] I want to add my thanks to that of the minister. I think this could be one of many news conferences that will help us convey appropriate information to the population. Thank you.

Brazil

Collor Meets With Entire Economic Team, Parties

PY2105115491 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 20 May 91

[Excerpts] President Fernando Collor today met at the Alborada Palace with the entire economic team and the leaders of the political parties that support the government.

During the meeting, the members of the new economic team were introduced to the leaders of the political parties. President Collor asked Minister Marcilio Marques Moreira to instruct his economic team to answer all requests and questions made by Congress. President Collor also said that the current economic policy will not change. The price freeze, for example, remains in force.

According to PDS [Social Democratic Party] Deputy Victor Faccione, the meeting was positive. He said that President Collor made it quite clear that he wants the relationship with Congress to be perfectly harmonious. [passage omitted]

The economy minister will announce this week whether he is able to answer Congress' requests. [passage omitted]

Government Denies Phone Bugging Charges

PY2105123091 Madrid EFE in Spanish 0054 GMT 21 May 91

[Text] Brasilia, 20 May (EFE)—The Brazilian Government today denied reports of the alleged bugging of former Economy Minister Zelia Cardoso de Mello's telephones.

An official note signed by Justice Minister Jarbas Passarinho, Army Minister Carlos Tinoco, and Secretary of Strategic Affairs Pedro Paulo Leone states that "essential rights are not violated in the government of President Collor de Mello."

The note was released a few hours after Workers Party (PT) Deputy Jose Dirceu announced that on 21 May he will ask the Office of the Attorney General to investigate the case.

A few days before resigning on 8 May, a friend of Zelia Cardoso de Mello gave her transcriptions and tapes of phone conversations she made from her house, her office, and from the houses of relatives and friends.

The person who gave her the material said that he got it from an Army intelligence official.

Deputy Dirceu said that he also wants to know why the Strategic Affairs Secretariat has purchased phone-bugging equipment.

President Collor created this secretariat last year after dissolving the National Service for Intelligence (SNI), an intelligence agency that operated during the military regime and had considerable power.

Plans To Update Coastal Air Patrol Reported

PY2105160691 Brasilia Voz do Brazil Network in Portuguese 2200 GMT 20 May 91

[Text] The Aeronautics Ministry will celebrate air patrol day on 22 May in Salvador, Bahia State.

During the celebrations the ministry will disclose its plans to update the aircraft used to patrol the coast.

Aeronautics Minister Lieutenant Brigadier Socrates da Costa Monteiro will open the celebrations.

Currently the 7,000-km-long Brazilian coast is patrolled by 12 U.S.-made T-16 Trakers for maritime jurisdiction and 20 P-95 Bandeirantes planes equipped with radar for tracking and detecting targets and attacks. The aircraft are based at four air bases in Belen, Salvador, Florianopolis, and Rio de Janeiro. The Santa Cruz base only operates B-16 aircraft.

Flight Commander Captain Silva Netto briefed journalists on the main irregularities found while patrolling Brazilian territorial water during a patrol flight aboard a T-95 Bandeirante aircraft more than 100 km off the Salvador coast.

[Begin Silva Netto recording] The presence of fishing vessels in prohibited areas at times during the breeding season of certain type of fish is among the irregularities that we quite often find. Sea pollution caused by the cleaning of holds or something similar and speedboats very close to a vessel awaiting smuggled items are also among the irregularities. These obviously cause damage that [words indistinct] [end recording]

The patrol planes also carry out other tasks that include the control of fishing vessels to prevent damage to the environment, the control of the level of pollution, searching boats, and rescue.

* Draft Bill on Use of Armed Forces Approved

91SM0292D Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Apr 91 p 6

[Excerpt] Brasilia—The Chamber of Deputies yesterday passed a supplementary bill concerning the organization, training, and use of the armed forces. The deputies included an amendment stating that the armed forces may be used only in the defense of the nation, of the constitutional powers, and of law and order, under the responsibility of the president of the Republic, at the request of the president of the Federal Supreme Court [STF] or of the presidents of the Chamber of Deputies and the Senate.

The decision to the effect that the armed forces must obey the request of the president of the Federal Supreme Court was the only change made in the draft bill that was sent to Congress by Planalto Palace. The change was proposed in the Committee on the Constitution and Justice by Deputy Jose Genoino (PT [Workers Party], Sao Paulo), who defended the thesis that the power to request the use of the armed forces could not be given generically to the judicial branch and the legislative branch but indeed could be the exclusive prerogative of the heads of those bodies. The bill will now be submitted to the Senate for its consideration.

According to Genoino, inclusion of this amendment—when the vote is taken in plenary session—will avoid a repetition of incidents such as the invasion of the Volta Redonda plant by Army troops in response to a request by a judge. "Under the terms of my amendment," the PT deputy maintained, "if a judge believes such a step is necessary, he will have to transmit the request to the president of the STF, who will then determine whether or not it is advisable to submit the request to the president of the Republic." [passage omitted]

* Poll Shows Declining Confidence in Collor

91SM0292A Sao Paulo O ESTADO DE SAO PAULO 21 Apr 91 p 4

[Article by Wagner Kotsura and Luciano Suassuna: "Collor's Credibility Declines in Sao Paulo"; first paragraph is O ESTADO DE SAO PAULO introduction]

[Text] A poll reveals that during the first year of the Collor administration, 81 percent of those interviewed lost confidence in the government.

The people of the city of Sao Paulo are losing confidence in President Fernando Collor. A poll of 500 persons over 18 years of age conducted by InformEstado on 10 April indicates that only 2 percent of those interviewed have complete confidence in the government. In May of last year an Informestado poll indicated that 24 percent of those interviewed had complete confidence in the government. President Fernando Collor's personal credibility continues to be greater than that of his administration, but it too declined by comparison with the May 1990 poll: only 17 percent of those interviewed currently have complete confidence in the president, compared to 46 percent in the previous poll.

"Collor Plan I and Collor Plan II made a guinea pig out of our country," the governor of the state of Rio Grande do Sul, Alceu Collares (PDT [Democratic Worker's Party]), declares. "The economic policy has concentrated income, and marketing no longer plays a role in image formation," says Collares, who has the president's official portrait in his office and praises Collor as readily

as he criticizes Economy Minister Zelia Cardoso de Mello. "This erosion in the first year of an administration is natural and is reparable," opines Arnaldo Faria de Sa, leader of the PRN [National Reconstruction Party] in the Chamber of Deputies. "The government took austere measures, but they had to be taken," he says.

A comparison of the figures in the May 1990 poll with those for this month reveals some bad news for the president. After one year of his administration, inflation dropped from 84 percent in March of last year to 7.4 percent in March of this year, but Collor's personal ratings did not increase in inverse proportion to the inflation figures, as one might have anticipated. According to the polls, Sao Paulo residents believe Collor is less competent (76 percent rated him competent before, compared to 39 percent now); less of a leader (83 percent before, 55 percent now); less well equipped by education and training (83 percent before, 68 percent now); less personable (73 percent before, 56 percent now); and having less authority (88 percent before, 59 percent now). In the opinion of those polled, the president is less bold (66 percent before, 55 percent now) but more aggressive (39 percent before, 43 percent now).

"Drastic Nature"

Deputy Jose Serra, leader of the PSDB [Brazilian Social Democracy Party] in the Chamber of Deputies, believes that the decline in Collor's popularity is due in large part to the "drastic nature of the fight against inflation." For a president who was so surprised at the positive results of a public opinion poll conducted during the first weeks of his administration that he asked for a new poll to be taken to verify the "superpopularity" indicated by those results, the figures obtained in the Informestado poll reveal a decline in popular support for the government but continue to show a favorable majority for Collor himself. In almost all the categories, the president still receives an approval rating of more than 50 percent.

Three items, however, do create a picture that is disturbing for the government. By comparison with last year, the people of the city of Sao Paulo believe that the problem of corruption has worsened, that government spending has increased, and that the high salaries of politicians are more cause for concern than they were last year. Inasmuch as Collor was elected under the banner of fighting corruption and hunting down the "maharajahs" and took office promising to eliminate the federal deficit, the poll figures serve to indicate some of the causes of the decline in popularity. Fifty-five percent believe politicians are paid too much (compared to 10 percent in last year's poll), and 34 percent say the government spends too much (compared to 7 percent in the previous poll).

Last year 27 percent of the city's residents felt that the problem of excessive government spending had been completely solved; today, only 3 percent hold that opinion. Two months after Collor took office, 19 percent of those polled believed that the problem of politicians' high salaries had been solved; today, only 2 percent believe it has.

For the government, however, the most erosive item in the poll is the one relating to corruption. Last year only 8 percent believed that corruption was worse than it was in the previous administration; today, 53 percent believe corruption has worsened by comparison with last year. "People are misinterpreting the actions taken by the government," reasons Collor's leader in the Chamber of Deputies, Humberto Souto (PFL [Liberal Front Party], Minas Gerais). "Anyone who appoints the chairman of the CPI [Congressional Investigating Committee] on Corruption to head Telebras [Brazilian Telecommunications, Inc.] and the legislative reporter of the committee to be minister of education," he explains—referring respectively to former senators Jose Ignacio Ferreira and Carlos Chiarelli—"is very much interested in punishing the cases of fraud."

Effort Recognized

In May 1990, 15 percent of those interviewed were saying that the corruption problem had been completely solved, whereas only 1 percent now believe it has. Although they perceive an increase in corruption, the city's residents do recognize the government's efforts to solve the problem. Last year 44 percent declared that the corruption problem was not being solved, whereas today this figure has dropped to 35 percent. Souto believes that the criticism of the fight against corruption is the consequence of associating the scandal of the Social Security frauds with some measure of blame ascribable to the government in the incidents that have been published in the daily press. Souto's opinion is shared by former governor Paulo Maluf, who also sees in this case a lack of communication on the part of the government. "It was not clear to the public," Maluf explains, "that these scandals are the result of problems that have accumulated over the years. In the view of many people," he says, "the Collor administration was associated with this embezzlement of public funds."

Chile

Additional Charges Made Against Lautaro Group

PY2105163291 Santiago Television Nacional de Chile Network in Spanish 0000 GMT 21 May 91

[Text] The government has pressed additional charges against the so-called Lautaro Group for violating the Antiterrorist Law. The case is under the jurisdiction of Judge Hernan Correa de la Cerda.

[Begin Interior Ministry Cabinet Chief Jorge Burgos recording] We believe that this is a new, important step in the judicial process against the actions of the terrorist Lautaro Group. Judge Hernan Correa de la Cerda now has additional charges against this group for violating the

Antiterrorist Law in relation to crimes against the people and for illegal association. [end recording]

The Lautaro Youth Movement this afternoon carried out an armed propaganda raid at the Augusto Dalmar High School in the Nunoa District. Two Lautaro Youth members were arrested by the high school students.

[Begin recording] [Reporter] The action was carried out at about 1800 at the high school on Ramon Cruz Street in the Nunoa District. Carabineros reported that 8 to 10 Lautaro members participated in the raid.

[Carabineros Sub Prefect Pedro Valdivia] About 10 men and women whose ages varied from 15 to 25 arrived at the school. They tried to carry out a propaganda raid but were stopped by students, teachers, and school employees.

[Reporter] What kind of raid was it?

[Valdivia] They distributed pamphlets and shouted slogans of the Lautaro Youth Movement. [end recording]

Two youths—a man and a woman—were arrested by the police. They have been taken to the 18th Police Precinct. Tomorrow they will be placed under the jurisdiction of Judge Hernan Correa de la Cerda, who handles the government charges against the Lautaro Youth Movement. The police are carrying out operations in the (Freddy) and (Jaime Eyzaguirre) areas of the Nunoa district in search for the Lautaro Youth Movement members. [end recording]

Minister Charged Over Illegal Radio Station

PY1705225091 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 16 May 91

[Excerpts] Transportation Minister German Correa has said that the constitutional charge filed against him before the Chamber of Deputies by the National Renewal [RN] Party over the existence of illegal radio stations is absolutely a political move. [passage omitted]

During this morning's session, the deputies will learn officially about the first constitutional charges filed against a member of President Patricio Aylwin's cabinet. After that the Chamber of Deputies will elect the five members of the respective committee in charge of accepting or rejecting the charges against Minister Correa.

The transportation minister is charged, quote, with having seriously violated the state of law and principle of legality for not having implemented various articles of the telecommunications law, thus allowing the existence of illegal radio stations, which create anarchy in the national radio electric field and cause the Republic of Chile to violate international laws regarding this issue, unquote. [passage omitted]

The government has reiterated its full support for Transportation Minister German Correa in view of the charges filed against him by the RN before the Chamber of Deputies for having allegedly violated the Constitution and law by not penalizing the existence of the so-called popular radio stations. [passage omitted]

Reports on Pinochet's Trip 'Contradictory'

PY2105120291 Santiago Television Nacional de Chile Network in Spanish 0000 GMT 21 May 91

[Text] Contradictory reports about General Augusto Pinochet, Army commander in chief, have arrived through the international news agencies. One points out that today Pinochet traveled to Spain. Another agency says that the Spanish Interior Ministry is not aware of Pinochet's presence in Spain. Chilean military sources, however, have pointed out that Pinochet has ended his official tour and that he will now rest.

An AFP report, dated Lisbon, says that the Chilean Army commander in chief departed this afternoon from Oporto, in northern Portugal, heading toward the Spanish border. The cable adds that Pinochet was met at Vilar Formoso by a Spanish military officer and a highway police patrol, which accompanied him to Salamanca.

EFE reported from Madrid that the Spanish Interior Ministry has said it is not aware of Pinochet's presence in the country. According to the police, the only military officer who crossed the border through Vilar Formoso today was the Portuguese chief of the northern military zone.

A Chilean Embassy spokesmen in Madrid said that he was not aware that Pinochet had planned to travel to Spain.

UPI reported from Santiago that Chilean military sources have said that the commander in chief has ended his official visit and that now his visit is only private. The cable adds that Pinochet has left the invitations to visit other weapon industries pending and that he may accept those invitations in the future. In sum, the mystery surrounding Pinochet's trip continues.

Reportage on Pinochet Visit to West Europe

WA2105153691

For reportage on the visit by General Augusto Pinochet, commander in chief of the Army, to Portugal and the United Kingdom, including reports on demonstrations in London protesting his visit, please see the country sections of the 16 May West Europe DAILY REPORT and subsequent issues.

Police Cooperation Accord Signed With Guatemala

PY2105150091 Madrid EFE in Spanish 2215 GMT 20 May 91

[Text] Santiago, 20 May (EFE)—The governments of Chile and Guatemala today signed in Santiago an agreement whereby Chilean Carabineros (militarized police) will provide professional support to the Guatemalan Interior Ministry.

The agreement was signed by Interior Minister Enrique Krauss on behalf of the Chilean Government and by Guatemalan Minister of Government Francisco Hurtado during a ceremony at the La Moneda Presidential Palace. The ceremony was attended by Guatemalan Ambassador to Chile Christian Bisquertt and by General Rodolfo Stange, the Carabineros director.

Under the terms of the agreement, the Carabineros will send a high-ranking commission to Guatemala to formulate in the short term a technical cooperation agreement, the main objective of which will be to reorganize the Guatemalan national police.

The agreement states that the commission will issue a report including a specific plan with the stages and ways to grant the support requested by the Guatemalan Government.

The Guatemalan minister of government emphasized the attitude of solidarity that the Chilean Government has shown for his country, "by offering the prestige and professional experience of the Carabineros, without concealed objectives or intentions, to enable us to build a just and law-abiding society."

For his part, General Rodolfo Stange said that the agreement is a challenge for the Carabineros, stressing that he is convinced "that we will succeed because we have carefully planned the terms of the agreement that was signed today."

Colombia

Government Communique on CNGSB Talks Status

PA2105165191 Bogota EL TIEMPO in Spanish 17 May 91 p 12a

[Colombian Government Communique issued 16 May]

[Text] The government, in regard to the talks held in Cravo Norte, Arauca Intendancy, with members of the Simon Bolivar National Guerrilla Coordinating Board [CNGSB] makes the following announcement:

1. That the talks by both sides have developed with a positive spirit;

2. That the government's proposal to begin unconditional talks abroad as soon as possible and at the highest decision-making level has been rejected as the CNGSB demands that the talks be transferred unconditionally to Colombia after the talks abroad;

3. The government has suggested considering the possibility of negotiating in Colombia provided that during the negotiations held abroad, agreements are reached that will result in providing the conditions in Colombia that will allow the transfer of such negotiations to the country;

4. That the CNGSB commission has agreed to reply to the government's proposal by 1800 [no date given] after they consult with their leadership;

5. That the government reaffirms its resolve to quickly begin talks abroad, with the option of continuing them in Colombia once the minimum agreements to make this possible are reached.

Deputy Government Minister Andres Gonzalez. [Presidential Peace Adviser] Carlos Eduardo Jaramillo.

UN's De Soto Consults Security Adviser Pardo

PA2105162191 Bogota Radio Cadena Nacional in Spanish 1200 GMT 21 May 91

[Text] National Security Adviser Rafael Pardo will return from New York today where he spent these past few days at the request of Alvaro de Soto, representative of UN Secretary General Javier Perez de Cuellar in the Central American peace process. De Soto consulted Pardo because of his experience in the reconciliation process with the M-19 [19 April Movement] and the EPL [Popular Liberation Army].

Paraguay

Rodriguez To Attend Ibero-American Summit

PY2105181891 Asuncion ABC COLOR in Spanish 18 May 91 p 10

[Excerpt] Foreign Minister Alexis Frutos Vaesken yesterday announced at the Lopez Palace that President Andres Rodriguez has confirmed that he will attend the summit meeting of Ibero-American presidents to be held on 18-19 July in Guadalajara, Mexico. A Mexican Government's envoy is scheduled to arrive here on 23 May to make arrangements for this trip. [passage omitted]

Taiwanese Foreign Affairs Official Visits

PY2105151491 Asuncion NOTICIAS in Spanish 21 May 91 p 10

[Excerpt] Cheng Chien-jen, the Taiwanese deputy minister of foreign affairs, is in Asuncion on an official four-day visit. No official information has been released on the subjects that the visitor will address during his meetings with government officials, with Taiwanese diplomatic mission members, and with Taiwanese residents in Paraguay. It has not been ruled out, however, that the visitor might seek ways to further promote the close Taiwanese-Paraguayan relations. [passage omitted]

Peru

Violence Prevents Fujimori Tour of University

PY2205044091 Lima RTP Television Network in Spanish 0230 GMT 22 May 91

[Text] Today the chief of state visited the universities of Enrique Guzman y Valle and San Marcos, where he met with authorities and students, and he noted that most students support the actions that have been undertaken to establish order and discipline.

The president arrived at 1045 [1545 GMT] and he was received by Alfonso Ramos Eldridge, University Rector Wilson Reategui, and other university authorities. In view of the fact that a group of students had blockaded the doors to prevent entry of the Army, which had been stationed there since early in the morning, the chief of state had to enter through one of the side doors, the one that opens on the professors' residence. Once inside, he met with representatives of various sectors of the university. He attentively listened to their requests for 45 minutes.

Meanwhile, unruly students outside were provoking the soldiers and police, who had formed a security cordon around the house in which the meeting was being held. During the scuffles, more than one journalist received insults and bruises from the stones that were raining down on all sides.

The tension reached a peak when, at the end of the meeting, the president wanted to tour the university. This did not take place due to violent actions by the unruly individuals. The regrettable incident resulted in a small boy being injured, and a female reporter from LA REPUBLICA had her camera taken from her.

The chief of state then went to San Marcos University where the Army, in an exemplary civic action, was cleaning and painting campus buildings that had been painted with subversive slogans.

[Begin recording] [Fujimori] What has happened is that the autonomy here has been broken by very small groups that intend to impose their ideas through terror. What we want to do, without violating that autonomy, is impose order because it is time for order to reign. Without order or discipline there can be no studying. These things are contradictory. I want order here at the university, and we are going to achieve it. First, we are going to repaint everything in the university and give the university adequate material. We have already seen to the needs of the professors and I am sure, as all of you must have observed, that the great majority of students support these actions.

[Questions by several reporters indistinct]

[Fujimori] They are the groups that threaten with their weapons. We are also going to look into that matter; we are going to intervene. We are not going to allow....[Fujimori changes thought] Please do not ask me for the details.

[Questions by several reporters indistinct; shouting can be heard in the background]

[Fujimori] We have to achieve order, discipline in another way, otherwise there can be no studying and serious professionals will not be trained.

[Unidentified reporter] [words indistinct] you visited the universities during the campaign, and you were well received. Now it is different. What is your opinion?

[Fujimori] On the contrary. I have been received very well here. You have heard all that applause. [chants of "Fujimori" are heard] [end recording]

More on Protests

PY2205044891 Madrid EFE in Spanish 0315 GMT 22 May 91

[Text] Lima, 21 May (EFE)—Groups of students shouted at, threw stones, and booed Peruvian President Alberto Fujimori today during a visit he paid to the San Marcos and Education universities in Lima. Moreover, two detonations were heard inside San Marcos University while Fujimori was talking to journalists outside the university building next to the fences that surround the university campus.

Fujimori visited the two universities to launch a clean-up campaign for university walls and fences filled with graffiti supporting the Shining Path (Maoist) and the pro-Guevara Tupac Amaru Revolutionary Movement (MRTA) terrorist groups. As the president explained later, this is part of his university support program.

The clean-up activities were completed by Army troops after the incidents and after the president had already left.

During a news conference he held later at Government House, Fujimori attributed the hostilities to terrorist infiltrators. In this regard he said: "They are not students. Students do not go around with dynamite in their hands."

Groups tried to prevent the president from visiting San Marcos University and the Enrique Guzman y Valle Education University in Chosica District, 40 km east of Lima. However, these groups were dispersed by police and military troops in charge of the president's safety.

Despite the fact that the police hurled tear gas, Fujimori was unable to enter the San Marcos University building because of projectiles hurled by the demonstrators. The president walked with University Rector Wilson Reategui, surrounded by security guards and journalists. He was also protected by a person who shielded him from the objects that were hurled.

In view of this, the president left the site and, once outside, observed the start of the clean-up operation while inside, the police hurled tear gas and fired shots in the air in front of the demonstrators, who detonated two explosives.

Similar incidents occurred at the Education University. Slogans against the Fujimori government and in favor of the armed struggle were heard at the Education University, and projectiles were thrown. At this site, Fujimori entered the building and met with University Rector Alfonso Ramos; he later toured some university buildings, which he left when hostilities increased.

During a news conference at Government House, Fujimori said the presence of subversives in universities

must be "eradicated" because, he said, they undermine the autonomy of the universities and the dialogue between students and teachers, who are threatened by the small terrorist groups. The Peruvian president said that order and discipline must be restored to the universities but without violence and without violating the autonomy of the universities. He added that an initial sum of $800,000 has been allotted to San Marcos, the oldest university in the Americas, which has just commemorated its 440th anniversary.

Before his election, Fujimori was rector of the National Agrarian University and head of the National Assembly of Rectors.

Security forces believe the San Marcos and Education Universities are terrorist centers.

Justice, Deputy Support Antidrug Agreement

PY2105142891

[Editorial report] Lima RTP Television Network in Spanish at 1800 GMT on 20 May broadcasts two reactions to the antidrug agreement that was signed by the Peruvian and U.S. Governments.

The first two-minute reaction is from Supreme Court President Cesar Fernandez Arce, who says: "The country is experiencing a very serious moment from both the economic viewpoint and also because of the increase in crime, particularly terrorism and drug trafficking." Fernandez adds: "Government policies have so far not been effective" and that "in principle the task represented by the agreement is very important."

The second reaction is included in a 3.5-minute interview with "independent" Deputy Fernando Flores Araoz. He says: "There are many points that need clarification in the antidrug agreement signed with the United States. I think the agreement is quite necessary, and Peru must approve it." The deputy adds that Congress has six months to correct "the imbalances because the agreement places more obligations on Peru than on the United States." The deputy says that to question the cabinet on the agreement at this time "would be inopportune."

Senator Supports Church Mediation for Hostages

PY2105123491 Lima RTP Television Network in Spanish 0230 GMT 21 May 91

[Excerpt] Senator Raul Ferrero Costa said today that it is not up to the International Red Cross but to the church to mediate in the release of the nine policemen who were kidnapped by the MRTA [Tupac Amaru Revolutionary Movement]. Monsignor (Miguel Irizar) left open the possibility that the church could mediate.

[Begin recording] [Ferrero] It is not up to the International Red Cross but to the Peruvian Catholic Church to mediate in the case of the kidnapping of the policemen. I believe that church mediation is necessary because the church is an institution that has everyone's respect. I also believe that the church could mediate with the support of all the political forces because these policemen, who were unfortunately kidnapped, cannot be forgotten.

[Irizar] The church is always open to dialogue. In this case, as far as I know, the MRTA has not requested any mediation. [passage omitted] [end recording]

Health Workers To Intensify Protests

PY2105180291 Madrid EFE in Spanish 0248 GMT 21 May 91

[Text] Lima, 20 May (EFE)—Administrative and auxiliary service personnel of the Peruvian health sector, which has been on strike for more than two months, announced today that as of 21 May they will intensify their protest and will withdraw personnel from the emergency sectors of hospitals.

A union spokesman said that personnel working in the emergency sectors will be withdrawn from hospitals in the interior of the country on 21 May and from Lima hospitals on 22 May.

He added that they were "forced" to implement this measure because the Health Ministry, which has been blamed for not solving their problem, is not interested in finding a solution to their demands.

The union, which has 80,000 members, has been on strike for 63 days. The nurses of the same sector have also been on strike for 63 days to demand salary increases. The nurses have decided, however, to keep the emergency personnel working and not to support the other group's decision.

Health Minister Victor Yamamoto said, regarding the union threat to remove their personnel from the emergency sector, that he hoped that for the good of the population "that extreme measure" would not be implemented.

The daily clashes between the health workers and the police continued in downtown Lima today. Clashes also occurred between the police and teachers who have been on strike for 12 days.

The demonstrations carried out by the two sectors were broken up with tear gas, water cannons, and sticks during their march in demand of an 800-percent salary increase. Their current salaries average $30 to $40 per month.

The Trade Union of Education Workers (Sutep), which is made up of 260,000 teachers, has announced that on 22 May it will hold a joint demonstration with health workers in downtown Lima.

A union leader of the health workers reported today that the police entered a union facility where a meeting was being held and repressed the workers. Two workers were injured and 12 were arrested.

Permits for 20 Soviet Trawlers Cancelled

PY2105182491 Madrid EFE in Spanish 2234 GMT 19 May 91

[Text] Lima, 19 May (EFE)—It was reported in Lima today that the General Directorate of Port Masters and Coast Guards [Direccion General de Capitanias y Guardacostas] of the Peruvian Navy has canceled the navigation permits of 20 Soviet trawlers that were caught fishing in Peruvian waters.

The cancellation of the authorization, which had been granted within a fishing agreement between Peru and the USSR and which was subsequently nullified by the Peruvian Government on 30 April 1991, was officially decided on 18 May by the aforementioned directorate. The order establishes that the trawlers must immediately return to El Callao, Lima's port.

According to Peruvian Fisheries Minister Felix Canal, the agreement was canceled by Peru because the Soviets did not comply with the terms of the agreement; they failed to deliver the volume of fish caught in Peruvian waters.

Peru has requested the payment of $20 million, an amount equivalent to the undelivered catch.

The agreement was signed in December 1988 between the state-owned Peruvian Fishing Services Enterprise (Epsep) and the Soviet enterprise "Sevriba." It authorized Soviet trawlers to fish 400,000 tons per year, of which 17 percent had to be delivered to Peru.

"Sevriba" representatives in Lima said this week that Epsep did not notify them of the abrogation of the agreement and also claimed that Epsep did not comply with the obligations specified in the agreement, for which reason they may sue for $72 million.

Canal pointed out that Peru has complied with the terms and announced that a Soviet mission will arrive in Lima over the next few hours to study the problem.

* Japanese Investors Assess Arequipa Department

91SM0295B Lima EL COMERCIO in Spanish 22 Apr 91 p B11

[Text] Private businessmen from major Japanese consortia are interested in investing and providing financial and technical support to promote Peru's social and economic development.

Naoki Tokiyama, the head of Para Everybody Co., Ltd. of Tokyo, who is also the manager of the Japanese Foreign Employment Institute, has come to Peru for this purpose.

This high-level Japanese official, who spent many years in Peru (in Arequipa) is aware of the needs and projects of private Peruvian businessmen who would like to establish ties with his organization in order to receive the support they need.

Tokiyama says he is familiar with the socioeconomic needs and the situation of our country, as well as the efforts the Peruvian government and the people have made to emerge from the economic and financial crisis which burdens us.

He explained that the Japanese businessmen and people want to play a part in Peru's development. Peru's efforts to gain a place in the international community, especially through the Inter-American Development Bank, are widely known.

We know, he said, that Peru faces serious economic, financial and social problems which can be solved with the support of friendly countries like Japan.

Some large Japanese consortia have capital ready to invest in the development of Peruvian private enterprise.

"We expect they will seek this capital to invest in hydroelectric plants, electricity, telephones, the automotive industry and agriculture; that is, in everything they need," he added.

He said that the Japanese people are also interested in supporting Peru; Japan and Peru have drawn closer together because of President Alberto Fujimori's visits to Japan.

Later he said that the technical and financial support which is being offered comes from the private sector with interests in major organizations, in which some well-known Japanese politicians and business leaders are involved.

He said that neither the state nor the government is taking part in this program, for they want to do things quickly and easily between businesssmen, without the delays and red tape which often frustrate such agreements.

Tokiyama is in Arequipa representing Tokyo Electric Power which works with the Kandenko and Niidte Kensetsu companies, which supply electricity to most of Japan, in order to determine how these Japanese companies can invest in Arequipa.

Working with the assistance of Deputy Guillermo Yosikawa, he is in contact with the Charcani V project, assessing its needs so that Japan can offer the financial or technical support the project may require.

He is also establishing contacts with the Majes Project on agroindustrial programs; he hopes to reach satisfactory agreements regarding investment in this project.

* Senator Bernales Confirms Departure From PSR

91SM0295E Lima EL NACIONAL in Spanish 10 Apr 91 p 2

[Excerpt] The First Vice President of the Senate Chamber, Enrique Bernales Ballesteros, yesterday confirmed that his final departure from the PSR [Revolutionary Socialist Party] is already official. He resigned in order to regain his political independence.

He said he did not intend to found a new political party after his resignation. "My resignation from the PSR coincided with that of over 50 of the party's leaders. We decided to regain our complete independence," he added.

He then explained that they will attempt to strengthen democracy in Peru and make politics and politicians recover credit and respect.

He stated that like himself, the present minister of energy and mines, Fernando Sanchez Albavera, does not belong to the PSR. "We have stated our decision to regain our political independence in order to work in a much broader perspective; we did not leave one small political party in order to found an even smaller party," stated Bernales. [passage omitted]

* Government Budget, Enterprises Threaten Program

91SM0295C Lima EXPRESO in Spanish 5 Apr 91 p 20

[Editorial by EXPRESO staff: "Warning"]

[Excerpts] The main cloud on the horizon of the government's economic program may be the fiscal problem. Well informed sources say that, the way things are going now, this year's fiscal deficit should be about $1 billion; this is the equivalent of 25 percent of the budget.

Simply put, this would mean the end of the economic program. Such a huge gap would force us to go back either to printing money ["maquinazos"] or to gasoline price hikes ["gasolinazos"].

Of course, we still have not seen the results of the tax agency's reorganization, still in progress. As we said in a previous editorial, the government should make everyone, whether part of the formal or the informal economy, pay the IGV [General Sales Tax], even if at a lower rate.

But even if we are able to increase tax collections, we will still need to cut spending significantly. Minister Bolona understands this, but he is the only one who does. The diligent researchers of EXPRESO's Economic page are beginning to discover that, through bureaucratic inertia or negligence on the part of the vice minister of finance, the budget cut the minister announced in order to balance the budget is not being carried or can not produce the necessary results.

For one thing, there are difficulties in cutting investment projects. The vouchers public works contractors receive are periodically readjusted in accordance based on a specified rate, to which the current rate of inflation is added.

In the emergency now facing the national budget, such a readjustment on top of inflation is outrageous. It means that each postponement or suspension in a project actually increases its cost. [passage omitted]

Moreover, there has been no movement in the sale of public enterprises. Here is a striking case: Petroperu [State Petroleum Agency]. As AP [Popular Action] Deputy Eduardo Calmell del Solar correctly pointed out, Petroperu spends at least $200 million a year on salaries, special benefits, and other unncessary costs, to keep this company at its unwarranted present size. According to Calmell del Solar, Petroperu could be significantly reduced to a small and efficient company of about $15 million a year, working only to obtain and negotiate exploration and extraction contracts, and that $200 million could be used to improve substantially (perhaps double) the poverty-level salaries paid to teachers, police, and nurses.

These are the decisions that must be made, if we want the program not to collapse because of fiscal and social problems. The reforms, which have hit almost all areas of our national economy, have stopped at the gates of the government budget and state enterprises. Nothing effective is being done in those vital areas.

Venezuela

Party Official on Perez 'Decision' 'To Resign'

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[Text] Out of respect for the most elemental principles of informative democracy, the following are statements sent to our studios by Eduardo Fernandez, secretary general of Social Christian Party [Copei], in which he comments on the alleged decision of the chief of state to resign from his post in response to pressures from the party's leadership.

In attention to this same respect for informative democracy, we must note that the Social Christian Party leader is echoing a certain version, not attributed to any source, and much less confirmed, that the chief of state has evidently announced such a decision. According to non-accredited and unconfirmed sources, the commentary published by the newspapers EL NACIONAL and EL UNIVERSAL reports the president's decision to resign, as is stated in the press headlines. Therefore, we note that only because of his rights as citizen and political leader are we offering you the statements by the Copei leader about the unconfirmed report.

[Begin Fernandez recording] I consider of enormous [words indistinct] of the chief of state, where he announced a possible resignation or split from the party. The country's situation is extremely delicate. The president of the republic has no right to throw in the towel. He is the last person who can raise such a dilemma as this. He has to staunchly assume the leadership of the state and his government. He has to have humility to correct the grave mistakes of the administration and the enormous contradictions and lack of coherence of his government. He must promote a vast national referendum. He must strive to achieve dialogue and consensus among all Venezuelans,

and he must make the country's problems a priority. Venezuela is living an extremely delicate situation. I understand, appreciate, and value the importance of international affairs, but Venezuela is experiencing an extremely delicate situation, and it calls for the president to give priority attention to domestic problems. What the country demands is clarity, staunchness, and firmness in the leadership of the government. [end recording]